

JUN 16 1936
JUNE 15, 1936

TWENTY CENTS

Sales management

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Radio Sales Talks; Still
Find Them Too Long

The Federation of Sales
Executives Begins Its
Active Career

Phenomenal New Car
Sales Gains Show Small
Town Market Activity

THE MAGAZINE OF MODERN MARKETING

WHERE THE

carpet

BEGINS



YOUR SALESMEN know that physical but intangible line which usually divides the top executives in a company from the subordinates . . . know how difficult it is to cross that line, to see the men in "carpeted" offices, the department heads, the officers, the directors.

FORTUNE, appealing to men of broad interests, who are vitally concerned with every phase of our modern industrial civilization, offers a powerfully concentrated coverage* of these top executives, these final decision men. And in addition it reaches many men down the line.

That they want FORTUNE, read it, is obvious from the price they pay for it — the highest subscription price, we believe, of any business or general magazine in the country. And in addition, 89% of our subscribers tell us they look through the advertising pages first.

Where else can you get such *conscious* attention for your advertising message, on both sides of the carpet line in American businesses? Let us show you how little a FORTUNE campaign costs.

**And FORTUNE's coverage increases steadily with FORTUNE's circulation growth . . . a growth which is faster, proportionately, today than ever before.*

F O R T U N E

135 EAST 42ND STREET, NEW YORK CITY

Sales Management statistics prove:*

... that Detroit is not a "one paper market." One Detroit evening newspaper offers 54% coverage of Detroit's families, the other a coverage of 51.5%. No manufacturer can adequately cover Detroit unless he uses BOTH evening newspapers.

*"How Leading City Markets Are Covered By Their Newspapers."—Sales Management, May 1, 1936.

Latest ABC statements prove:*

... that The Detroit Times now offers a greater readership than any other Detroit newspaper. Its dominant circulation makes The Detroit Times the most efficient and most economical advertising medium in Detroit.

*Publishers' Statements, March 31, 1936.

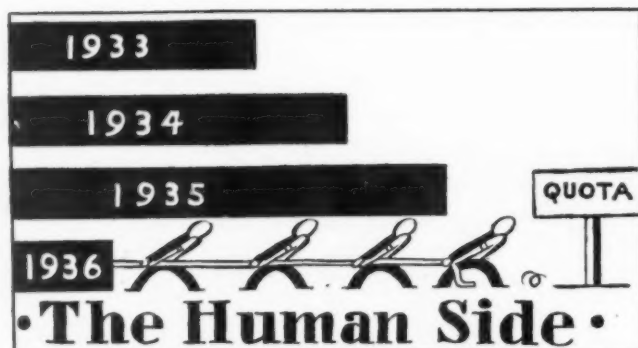
Sales Management statistics and ABC statements prove:

... that the country's fourth market, the market that is probably the most active buying market today, cannot be covered adequately without The Detroit Times ... And that, in Detroit, the most efficient advertising medium is The Detroit Times.

The Detroit Times



Represented Nationally by Hearst International
Advertising Service—Rodney E. Boone, General Manager



Birthday Present

The G. H. P. Cigar Co. (El Producto, La Azora) of Philadelphia has a live-wire distributor in Dallas—the Brannon-Signaigo Cigar Co., of which J. Harper Brannon is president. Mr. Brannon celebrated his birthday in June.

Came a letter from Frank P. Will, executive vice-president of G.H.P., which went something like this:

"I have been wondering what I might give you for your birthday. . . . After talking the matter over with Mr. Kynett, of our advertising agency, we decided on this: We're going to give you a special July and August advertising campaign in the Dallas News on Lovera cigars. This will not interfere in any way with our usual Fall schedules in your territory."

On Mr. Brannon's part: Delight for a unique and practical gift. In the Dallas News office: Cheer over 4,500 lines of cigar business during a season when cigars are seldom heavily advertised.

Here Comes the Brides' Magazine

A simple sum in arithmetic started the *Brides' Magazine*, a new kind of controlled circulation medium.

In 1933, at the bottom of the depression's trough, there were over a million American weddings. Say the top 10% get announcements in the society columns. That equals 100,000 brides who, at the lowest estimate, spent \$2,000 on trousseaux, honeymoon trips and new homes. Multiply 100,000 by \$2,000 and the answer is a \$200,000,000 market. That sum looked like it deserved an engraved invitation from any merchant. At least Wells Drorbaugh, who did the arithmetic problem, thought it did. He was for years advertising manager with the Condé Nast publications and should know about such things.

In the Autumn of 1934 he published the first edition of the *Brides' Magazine*. It was a quarterly, edited by Agnes Foster Wright, wife of *House & Garden's* Richardson Wright, with all the swank and swish of a top-class magazine. The idea was a natural, received with instant enthusiasm by the engaged girls, pleasantly surprised retailers, and some 30 pages of advertisers. In the year and a half since it has more than doubled its lineage.

Although June is traditionally the month for marriage bells, cold research figures show only 11.6% of a year's weddings take place then. August and September have 10% of all nuptials; October has 9.5; other months get a goodly share. Therefore, the *Brides' Magazine* is distributed every day to girls whose engagements are announced in newspapers and society journals.

Concentrating at first on New York, New Jersey, and Connecticut, the magazine spread until it now covers 18 states: Maine to Iowa, Canada to northern Kentucky. By the next Fall issue, it will have national newsstand sales at 50 cents a copy.

This name-selection system, Mr. Drorbaugh believes, isolates the brides' market at the precise period when proud fathers are saying, "Well, get what's needed. I want my little girl to be

happy." At no other point in a lifetime is the rubber band taken off the pocketbook so completely.

Shrewdly the advertising and editorial contents are designed to make any prospective bride's mouth water: "Clouds of rose-tinted mauve chiffon gathered up into an ethereal gown with taffeta-stiffened shoulders"; sheen of silver; tables of luscious wedding breakfasts; honeymoon havens; gadgets for the new home. Advertisers for these products, and a host of others, from photographers to bath towel makers, found *The Brides' Magazine* got under the guard of sales resistance.

Mathematician-publisher Drorbaugh, and his organization called Brides House, Inc., of New York, are prophesying more and better weddings as they spill thankful libations to Eros, Hymen, and Venus Aphrodite.

Whisky and "Green Hell"

A year ago Calvert-Maryland Distilling Co. aroused some interest, and a 222% increase in sales, by refusing to yield to tradition. Calvert-Maryland makes whisky. Tradition had it that, though whisky was all right nine months in the year, in the Summer, one must drink gin or rum, or maybe applejack, instead.

The company's advertising agency, Brown & Tarcher, coined the slogan, "Clear Heads Cool Off with Calvert," and proceeded to give some evidence to support it.

This was well enough, so far as it went. But what was really needed to persuade people to float through the Summer on a stream of Calvert's Special or Calvert's Reserve, or Old Drum whisky, was specific evidence of whisky's cooling properties under conditions intolerably hot.

So Calvert went to hell with the idea.

The company financed an expedition to the "Green Hell" of Guiana, in the Surinam section of South America. All the three Guianas, as you know, lie together between Brazil and Venezuela in the "rain forest" between the Amazon and Orinoco rivers, from one to eight degrees above the Equator. Calvert would not tell us which Guiana was meant, but they gave it away when they said "Surinam section." That means Dutch Guiana.

Anyway, the expedition, laden with Calvert whisky and other provisions, went down there last December, penetrated 300 miles into the interior—"in the scalding humidity of a jungle fastness," as the Calvert people explained, and checked with a dermaterm the rise and fall of skin temperatures before and after drinking Calvert whisky.

The dermaterm, as you have probably guessed, is a gadget, "accurate to the minutest degree," for detecting variations of temperature in the epidermis. In the cause of Science members of the expedition became "guinea pigs." Or should we say sots.

Average temperature at midday was 110 degrees in the shade;

Calvert, by coolie, arrives in "hell" for a six weeks' test of whisky's ability to cool the human flesh.

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyrighted and published by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the Act of March 3, 1879. June 13, 1936. Volume XXXVIII. No. 13.

"Pardon me, Sir— do you own a car?"

—the answer revealed the world's richest market for manufacturers

TWO THOUSAND residents of New York, Pittsburgh, and Omaha were mildly surprised, last fall, to find themselves addressed by courteous strangers who asked the following questions:



"Pardon me, sir—do you own an automobile? Would you mind letting me look at its tires? What make of tire did you last buy?"

These questions were asked of buyers of The American Weekly at newsstands, or in their homes.

This search for automobile owners was made in the very places where the percentage of owners to population is relatively low. The three cities mentioned, as a group, rank more than 20% below the national average in automobile ownership in proportion to families.

What the survey revealed

Reversing the usual procedure, this survey was deliberately designed to reveal facts concerning what might be regarded as the less promising portions of the automotive market within the circulation of The American Weekly. A leading tire manufacturer had questioned whether he could advertise profitably in a magazine which admittedly cuts a cross-section through the populations of metropolitan centers representing a wide diversity of social and industrial conditions.

Conducted by an independent research organization, the survey yielded the following facts: of the two thousand purchasers of The American Weekly covered in the investigation, 55% were found to own automobiles; 30% of all cars were late models (double the national average); 69% of the most recent tire purchases had been of nationally advertised lines. These figures represent the less prosperous circulation levels of The American Weekly. Yet, even on this conservative basis, a projection for the entire circulation would show a total of:

3,280,473 car-owning families

More car owners than any other national magazine has readers! With more than 15 million tires in actual use!

The tire manufacturer, surprised but convinced, is this year carrying his first schedule of advertising in The American Weekly. Could any advertiser afford to overlook so vast a market? And here, in the last analysis, is the only volume market for any product.

Where else can you find millions of customers except among the millions of people living in the important trading areas of the country where the bulk of all merchandise is sold? In these areas, comprising but one-fifth of the nation's counties, four-fifths of all retail sales are made. In them are located all of the 995 key cities of 10,000 population and over that alone account for 70% of all retail sales.

And how can this market be reached more effectively and economically than through The American Weekly, the one magazine that concentrates the world's largest circulation in these rich trading areas and reaches the greatest number of people who buy goods? In 627 of the 995 key cities, it reaches 20% to 50% of all the families. With one powerful impact, it commands an audience of 5,858,468 families (six months' average ending March 31, 1936)—one-fourth of all English-publication-reading families in America.

Nearly six million families read—and BUY

No other national magazine has ever attracted so vast an audience. None has ever captured the interest of so many different types of people. (The tire survey showed automobile ownership ranging all the way from the low-priced Chevrolets, Fords and Plymouths to Pierce-Arrows, Packards, Cadillacs, Lincolns, La Salles.)

Social leaders and stenographers, bankers and bookkeepers—all are irresistibly drawn to the pages of the world's most fascinating magazine. All respond to an editorial appeal rooted deep in the sixteen basic elements of human interest by an Editor who knows "What Interests People and Why."

Advertisers know the measure of this intense reader interest. Specific sales results (details upon request) tell the story of the responsiveness of these nearly six million families, living and spending in the world's richest market.



Where this magazine goes

The American Weekly is the largest magazine in the world. It is distributed through the 17 great Hearst Sunday newspapers. In 627 of America's 995 towns and cities of 10,000 population and over, The American Weekly concentrates 67% of its circulation.

In each of 174 cities, it reaches better than one out of every two families

In 144 more cities, 40 to 50% of the families

In an additional 134 cities, 30 to 40%

In another 175 cities, 20 to 30%

... and, in addition, more than 2,000,000 families in thousands of other communities, large and small, regularly buy and read The American Weekly.



Cock-A-Doodle- Doo!

The June 7th issue was the largest in volume of advertising and revenue in the history of The American Weekly and May was the fifth successive month of revenue and lineage gains for the year 1936.

THE AMERICAN Greatest Circulation in the World WEEKLY

"The National Magazine with Local Influence"

Main Office: 959 Eighth Avenue, New York City

Branch Offices: PALMOLIVE BLDG., CHICAGO . . . 5 WINTHROP SQUARE, BOSTON . . . ARCADE BLDG., ST. LOUIS . . . EDISON BLDG., LOS ANGELES
MONADNOCK BLDG., SAN FRANCISCO . . . GENERAL MOTORS BLDG., DETROIT . . . HANNA BLDG., CLEVELAND . . . 101 MARIETTA ST., ATLANTA

JUNE 15, 1936

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SALES management

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EDITORIAL STAFF: RAYMOND BILL, *Editor and Publisher*; PHILIP SALISBURY, *Executive Editor*; A. R. HAHN, *Managing Editor*; E. W. DAVIDSON, *News Editor*; M. E. SHUMAKER, *Desk Editor*; F. L. SULLIVAN, *Production Manager*.

ASSOCIATE EDITORS: - JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, MAXWELL DROKE, RAY B. PRESCOTT, L. R. BOULWARE, FRANK WAGGONER.

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humidity in the air was virtually 100%. The "Green Hell" was hot as blue blazes. And yet the dermatherm showed that "Calvert cools."

Calvert would not say to what extent. They will not say it in their large-space campaign in 350 newspapers nationally, which begins this week with the headline:

"Brave 'Green Hell' of Guiana
 for Proof that Calvert Cools."

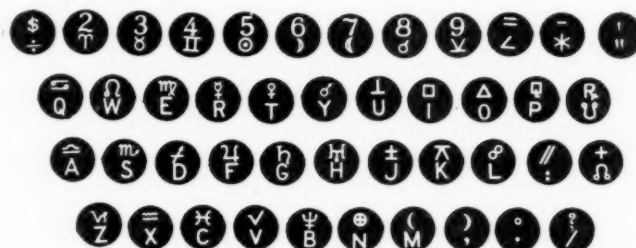
But they have figures on file for interested authorities. And they will publish in the campaign some more general "tropical" statistics: "Below the Equator whisky is a 3-to-1 favorite for cooling off. Ecuador prefers it 7-to-1. . . . Venezuela 9-to-1. . . . Colombia 23-to-1."

The moral is that if you are going to Guiana soon, or just sizzling at home in New York, Chicago and way points, let Calvert "drive the inner heat to the surface of your body, and dissipate it."

Keyboards: Assorted Flavors

No, the typewriter keyboard reproduced herewith is not something from the planet Mars. It is Remington Rand's latest model especially designed for astrologers to type their predictions. These type signs of the zodiac are especially useful to practitioners of the ancient art, for there is a boom in horoscopes just now.

Remington Rand, it appears, makes over 5,000 special keyboards in addition to the familiar qwertyuiop standard. Doctors and druggists need keyboards with the symbols of their calling. Chemists, dentists, civil engineers, mathematicians, opticians and various other specialists have their signs, abbreviations and figures that are mystic to the uninitiate. RR, however, knows and supplies them all.



With this, astrologers type horoscopes.

Foreign language keyboards are available in practically every tongue whose alphabet can be put onto not more than 48 keys. Among the popular RR foreign keyboards are Roumanian, Russian, Portuguese, Lithuanian, Spanish, Greek, and German. There are no Chinese typewriters made by the company because there are too many characters. Besides, Chinese is read and written vertically, not sidewise.

Company officials thought that a Yiddish keyboard would sell like matzoths at Passover among New York's large Jewish population. A model with Hebrew characters was accordingly put into production. It was equipped with a reverse carriage, for Yiddish and Hebrew are written from right to left. Demand, however, was surprisingly small, about 150 machines a year. Most Jews preferred the regular English keyboard.

Before RR puts a special keyboard into production it must be fairly well assured of a sale of at least 2,500 machines. These are not necessarily sold right away; there is practically no depreciation on a keyboard in, say Eskimo, Swahili or Norwegian. But cutting dies for specialized symbols and letters is expensive, and before tying up money in them the manufacturer wants to see a profit, even if it is several years off. Most of the foreign language Remington keyboards are sold abroad by the export department.

Whatever the language or specialized symbols required, say Remington Rand officials, provided they can be boiled down to not more than 44 or 48 keys—if enough buyers ask for it a keyboard will be forthcoming.

Significant Trends

As seen by the Editors of *Sales Management* for the fortnight ending June 15, 1936.

Booms and Depressions

The old Biblical rule of seven lean years and seven fat does not hold in American experience. The rule has been nearer 27 lean months and 40 fat. Usually the longer the depression the greater the boom. Brookmire points out that when trade activity is subnormal, as it has been for 78 months, people are forced by circumstances to lay foundations for future prosperity. Debts are paid; inventories become depleted; building shortages develop; labor efficiency increases; and deferred demands pile up.

• • • The experience of the last one hundred years holds out a real hope that this recovery will probably continue two or three years or more. And Brookmire argues that before this general recovery reaches its limit, business may be expected to show a further expansion of more than 25%.

• • • There are still to be discounted the most remarkable operating efficiency in the history of American industry, the greatest excess reserves on record even in proportion to national wealth, and one of the greatest accumulations of deferred demands for machinery, equipment, plant capacity and houses ever witnessed. Thus the recovery undoubtedly possesses a high probability of long life.

• • • Payment of the bonus will stimulate retail trade during the next month or so and this stimulation may be sufficient to compensate for the seasonal recession in industrial activity, any further readjustments in the stock market, and uncertainties of a presidential election campaign.

• • • The National Industrial Conference Board's survey of 25 manufacturing industries shows that during the year—interval from April, 1935, to the end of April this year—employment rose 4.7%; total man hours, 10.7%; payrolls, 13.3%; and real weekly earnings, 6.8%.

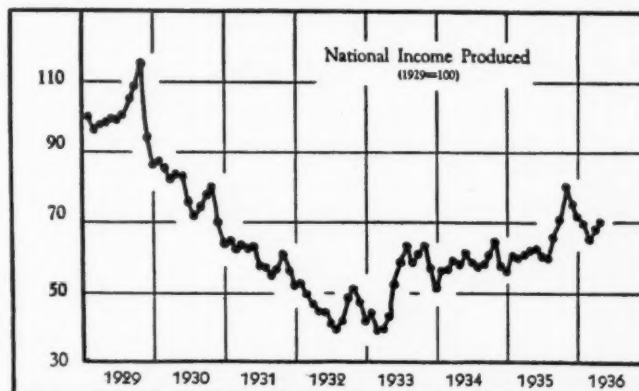
• • • Dr. Paul H. Nystrom, professor of marketing at Columbia University and president of the Limited Price Variety Stores Association, told a group of business men in New York last week that they—business men—are largely responsible for government interference in business. He stated that the greatest menace to the nation today lies in those "business men and business groups who are always boring from within in their efforts to secure exemptions and exceptions from competition and the other fundamental principles of our economic order. Attempts to use the government as a substitute for competition in fixing prices at which goods shall be bought or sold, or in placing handicaps upon more successful competitors, are more destructive of the present democratic society than all the Socialists, Communists, Fascists and apostles of economic planning put together."

• • • Business men, Dr. Nystrom continued, talk a great deal at their conferences about the encroachments of government in business. Yet, he held, the real fault for

this situation remained with those business men who publicly opposed the spread of government influence in business in principle, but continuously and everlastingly urged the government to regulate or to control this or that in their own selfish interests. Dr. Nystrom is, of course, opposed to all price-fixing measures and regulatory laws such as the Patman-Robinson bill.

• • • Dr. Daniel Starch has analyzed the stockholders list of America's largest corporations and has found that they lost 1.8% of their stockholders in 1935, but he argues that this decline might have been expected by studying the trend over the past several years. In the face of steadily declining business activity from 1930 to 1932, the number of stockholders increased 14% a year on the average. This increase slowed down to less than 1% in 1933, however, and in 1934 there was a decrease. One hundred and forty large corporations reported having 8,746,063 stockholders on their books in 1935. This figure, of course, includes untold duplication.

• • • Last week's nationwide analysis of retail sales by Dun & Bradstreet showed uniform gains; every report from the various cities revealed a gain of anywhere from 3% to 18%, in dollars, above last year. Gains up to 30% were reported in the business received from agricultural districts, which is a better showing than the April figures just released by the Department of Commerce on rural retail sales by regions. These showed percentage gains over the preceding year's month of East, 11; South, 8; Middle West, 5; and Far West, 19.



The produced national income of the United States in April showed an extension of the rise which began in March after a four months' recession, and the total for the first four months shows an increase of 12.2%. These estimates—and the chart—were prepared by the Bureau of Business Conditions of the Alexander Hamilton Institute. Their estimate of produced income differs from our own Survey of Spending Power which is based on income paid out. . . . Since the price level in April was considerably lower than in April of last year, the sizable increase in the national income reflects a still greater increase in output of goods. As compared with the first four months of the pre-depression year, 1929, the output of goods was 16.9% smaller. The advance from the low point of the depression (the first four months of 1933) is 49.2%.

Where Business Will Be Best

According to the current Brookmire Income Map, United States income during the next six months should be 15%

greater than the same period a year ago, with the following states equaling or exceeding the national average: North Dakota, 29%; Illinois, 21; Kansas, 21; South Dakota, 21; Florida, 20; Michigan, 20; Nevada, 20; Colorado, 19; Ohio, 19; Connecticut, 18; Indiana, 18; Wisconsin, 18; Vermont, 17; West Virginia, 17; New York, 16; Pennsylvania, 16; Minnesota, 16; Iowa, 16; Idaho, 16; Arizona, 16; New Jersey, 15; and Virginia, 15.

• • • Reports from 100 representative cities to the Department of Commerce reveal a gain of 76% in value of building permits issued in May compared with the same month last year.

• • • Combined sales of the leading mail order companies for April were the largest on record for that month and nearly 17% over last year. Ward's May sales set a peak for the month, and were 32% above last year. Farm income continues to gain faster than non-farm income.

• • • If you are ever likely to be interested in selling something to brides, you might file the following figures away. Don Horne, sales manager of Wamsutta Mills, has found out that marriage licenses in the 49 largest cities in the United States are divided proportionately by months as follows: June, 11.6; August, 10.0; September, 10.0; October, 9.5; November, 9.0; December, 9.0; July, 8.1; May, 8.0; April, 6.6; January, 6.4; February, 6.1; and March, 5.5.

• • • According to reports from Detroit, the production of motor vehicles is likely to cross the 2,500,000 mark in the first six months of 1936. A year's production figure of 4,500,000 units is almost a certainty.

• • • The revamped Studebaker organization broke an 81-month record in retail deliveries by dealers in May, and Oldsmobile during the month established new sales and production records. Retail sales for the last 10 days of May totaled 9,407 cars, which is the largest 10-day period in the company's history. General Motors set an all-time May record.

• • • Packard made a 7-year high record in sales when May deliveries to dealers exceeded 7,200 cars. Incidentally, the company is sharing its prosperity with workers. Seven thousand employees will hereafter receive paid vacations through a plan of accumulated vacation credits at the rate of one-half day for each month of service the previous year. The plan goes into operation this month. In the event an employee is discharged with vacation credits unused, he will be given the accumulated sum as a separation allowance. Retirement pay was also announced for employees who have worked for the company for 15 or more years at the rate of \$25 for each year of service.

• • • In the month of April, the latest for which reports are available, estate taxes poured more money into the Federal treasury than came from any other source. No taxpayer will be surprised to learn that government revenues are increasing. That month internal revenue collections were 4% greater than in the same month the previous year,

despite the fact that in the 1935 month the government collected nearly \$50,000,000 on Agricultural Adjustment commodity taxes, whereas in April this year the revenue amounted to a mere \$13.52.

• • • The greatest forms of revenue were, in order, as follows: Estate, cigarettes, income, malt liquors, domestic distilled spirits, gasoline, chewing and smoking tobacco, automobiles and motorcycles, gifts, capital stock transfers, bonds and other issues of capital stocks, electrical energy, coconut oil processed, tires, and imported distilled spirits.

Is It Lagoon or Only Loofah?

One of the interesting releases from the Federal Trade Commission this week has to do with a New York City cosmetic firm which allegedly represents that one of their products, called "Lagoon," is, quoting the Federal Trade Commission, "a 'wonder' sea sponge spawned in Southern Pacific waters and contains the alchemy of the waters of the Pacific ocean; that it is taken to the laboratories of a nationally known chemist, treated with ultra-violet rays, and becomes 'an aid to good health.'"

The F.T.C. complaint charges that all of these representations are untrue and that "Lagoon," instead of being a sea sponge possessing therapeutic value, is a vegetable known as a loofah, which grows on land and resembles a gourd. The business world waits with bated breath the decision on this case, which is to be handed down early in July.

• • • What is wrong with coffee advertising? Plenty, apparently, for according to figures compiled by the Associated Coffee Industries of America, the average per capita consumption about 1900 was 11.2 pounds, which compares with 12.7 pounds for the years from 1933 to 1935. The Association concludes that something should be done about it, but plans for cooperative advertising and sales promotion have not been completed.

• • • An almost unique combination deal—news-worthy because the products are so dissimilar—is the current offer made by the Prophylactic Tooth Brush Co. of a tooth brush and a standard 50-cent Univex camera in one package for 59 cents. The two will be featured as a vacation special.

• • • Railroads, having gotten a taste the last few years of "fighting back" the competitors who are stealing their business, are sponsoring under the name of the Association of American Railroads a series of advertisements emphasizing "safety first—friendliness next." The advertising will point out that in the face of tough times the railroads have stepped up freight train speed by 43%, and have stepped up the running time of passenger trains and, at the same time, increased the comfort of passengers. A survey made among sales executives and to appear shortly in SALES MANAGEMENT indicates that the service of many railroads will have to be improved still further in order to win greater patronage.

• • • All employees of Johnson & Johnson received a check for 5% of their 1935 earnings in last week's pay envelope. This bonus, based upon improved business conditions, was paid to every executive, office employee, factory employee, and salesman. At the same time the company reported that more people are employed today than in 1929.

In the Marketing Reviewing Stand



Double Decade: (Left) Al Hattenbach, president of Electric Products Corp., western Pennsylvania Frigidaire distributors, is celebrating 20 years as a refrigerator man. His entire dealer, department and furniture store organization is conducting a jubilee campaign to mark his pioneering record with Delco-Light and Frigidaire.



Safety First: Bauer & Black's window display brings home forcefully the perils of reckless driving and the dangers resulting from minor accidents. It is being used in a national Safety First week. Zipprodt, Inc., Chicago, designed and produced it.



Pals Again: (Above) Ed Wynn apparently relishes the idea of having Graham McNamee for his "straight man" again. The pair, who produced chuckles and guffaws for Texaco on an NBC hookup, are once more emitting an unending series of jests and japes on the same broadcasting schedule. But this time they are plugging Plymouth Motors, the Chrysler subsidiary.



New Responsibility: Ira R. Ogilvie takes over the post of general sales manager for Haag Brothers Co., of Peoria, Ill. For the past 12 years he has sold wholesale equipment and industrial chemicals. Now he will be in charge of an expanded sales program for Haag electrical and power washing machines.

Biscuits to Beverages: (Right) W. Wachtel, with Loose-Wiles Biscuit Co. for 26 years, and most recently v.p. and mgr. of sales and advertising, goes to Calvert-Maryland Distilling Co. On July 1 he will become v.p. in charge of C-M's sales.



Underwood & Underwood



How Do I Get There? Motorists may get all the information they need as to maps, road conditions—and of course the virtues of Mobiloil and Mobilgas—at Socony-Vacuum's newest touring service bureau at 26 Broadway, New York. Henry Dreyfuss, designer, used many fresh architectural methods in planning the bureau. Photo murals decorate the background; counters are curved V-shaped; and movies viewed through round portholes show places to go.

Listeners Again Analyze and Rate Radio Sales Talks

Jello's Jack Benny program rated as most acceptable sales talk and Lady Esther's most objectionable in second annual survey made by Market Research Corporation of America for Sales Management; commercials judged just as long as last year but more educational and less annoying.

IN April last year and again a fortnight ago approximately a thousand typical radio listeners were interviewed by field workers of Market Research Corporation of America and asked several searching questions about radio sales talks. High-spots of the June, 1936, survey show that:

(1) The public continues to believe that sales talks are about 150% longer than they actually are;

(2) Six out of every ten listeners believe that the sales talks are educational, as against only four out of ten last year;

(3) One out of every two finds sales talks on average program definitely annoying—last year six out of ten did;

(4) Less than two out of every ten would want radio put under government control—which probably would mean no advertising, as in England;

(5) Nearly nine out of every ten believe that radio programs are better because they are produced and paid for by advertisers—this despite the annoyance felt about the sales talks in many programs;

(6) Listeners are about evenly divided on whether or not greater censorship should be exercised over the subject matter of commercials;

(7) The ten programs whose sales talks received the largest number of mentions as "most acceptable," were, in order:

Jello—Jack Benny
Ford programs combined
Chase & Sanborn—Major Bowes
General Motors Symphony
Lucky Strike Hit Parade
Campbell Soup programs
Lux—Radio Theatre
Bristol Myers—Fred Allen Town Hall
Tenderleaf Tea—One Man's Family

Kraft Phenix—Music Hall, Bing Crosby;

(8) The ten sales talks receiving the most mentions as "most objectionable" were, in order:

Lady Esther
Pepsodent—Amos 'n' Andy
General Mills programs combined
Chase & Sanborn—Major Bowes
Fleischmann Yeast—Rudy Vallee
Plymouth—Ed Wynn
Bristol Myers—Fred Allen Town Hall
Philip Morris—Leo Reisman
R. J. Reynolds—Camel Caravan*
Ex-Lax*
Ovaltine*

The study, which was made under the direction of Percival White and Pauline Arnold, and the twenty-seventh of their series made exclusively for SALES MANAGEMENT, was a combination of five attitude statements with which respondents expressed either agreement or disagreement, and two direct questions.

The two questions depended upon memory recall for answers. No lists

* Tied.

of programs were shown, no programs mentioned. The 938 respondents made 1,149 favorable mentions of sales talks and 958 unfavorable mentions.

Extent of Survey

Personal interviews were obtained by Market Research Corporation of America field workers with 938 typical radio owners—typical of all sizes of communities and economic groupings. Among the larger cities sampled were New York, Chicago, Philadelphia, St. Louis, Baltimore, Detroit, Minneapolis, Cincinnati, Syracuse and Indianapolis. There is no claim made that these 938 interviews are thoroughly representative of the whole radio audience. But the answers are certainly highly indicative, and in many instances are so overwhelming in one direction that it is unlikely additional data would change the picture. Moreover, the results of the two yearly surveys tend to confirm each other.

Most Acceptable and Most Offensive Programs

Question: In what radio program do you think the use of commercial advertising material is most acceptable? Most offensive? (When answering this question consider presentation, amount and manner of delivery of material.)

The answers to this question are interesting on several counts:

1. The relation between favorable

How Long Is the Commercial Talk on a Quarter-Hour Program?

Estimates of Public	1936	1935
0 to 2 minutes.....	2.6%	3.0%
2 " 4 "	29.7	33.6
4 " 6 "	48.8	45.5
6 " 8 "	8.1	10.5
8 " 10 "	2.1	3.7
10 minutes and over.....	1.5	0.8
Too much.....	0.5	0.8
Don't know or no answer.....	6.7	2.1
	100.0%	100.0%

Most people think that the time exceeds 4 minutes. Actual time on networks averages not to exceed 2 minutes. What is the answer? Does the average commercial bore the listener?

and unfavorable reactions to the commercial announcements, and the number of each.

2. The total number of mentions—which may be considered at least a partial index of the degree to which these commercials sink in to the consciousness of listeners.

3. The relation between the number of mentions of sponsors to the total estimated number of listeners to current programs, as measured by various coincidental and recall surveys.

The Jello and Lady Esther commercials represent two extremes and it is noteworthy that in two successive years one should be ranked as most acceptable, the other as most offensive. The Benny program received fewer favorable votes this year (197 vs. 258) and Lady Esther fewer unfavorable ones (98 vs. 141). Jack Benny and his associates mention Jello frequently, but always in a light, frequently a kidding, vein. Lady Esther likewise mentions her product frequently, but always in a deadly serious vein. Listeners are never at a loss to know what product is being advertised on either program. Both products are rated as radio successes from the point of view of sales.

The ratings given by listeners to the sales talks of those programs receiving three or more mentions are given in the large tables herewith.

How Long Are Commercials?

Question: "How much time is used in commercial advertising on the average 15-minute radio programs?" Those interviewed were shown this definition of commercial advertising: "The parts of radio programs used by a manufacturer sponsoring the broadcast, to talk about his product."

The public still grossly overestimates the length of commercial announcements, but, as will be brought out in the answers to other questions, there is less resentment than last year.

More than 6 out of 10 radio owners think that "commercials" account for anywhere between four and ten minutes out of a quarter hour broadcast—or from 27 to 66% of the total time period!

Actually the average is about two minutes on quarter-hour network programs. Mutual allows a maximum of 2½ minutes for either day or night programs. NBC has no rigid restrictions as to time, but exercises a cold and judicial eye on all programs in advance of broadcasting and there is no appeal from its judgments. Columbia permits 2 minutes 10 seconds on evening programs, 3 minutes 5 seconds on day programs.

(Continued on page 896)

Attitude Toward Commercial Advertising on Radio Programs

The most mentioned programs are listed in order of the number of "most acceptable" mentions they received. See footnotes for special explanations. The following points in the tables are of special significance: (1) the total number of mentions, (2) the percentage which this figure bears to the total number of interviews, (3) the balance between favorable and unfavorable mentions, (4) the differences in the ratings in this study and the similar one in 1935, reported on page 566, SALES MANAGEMENT, May 1, 1935.

RADIO SPONSORS AND PROGRAMS	MOST ACCEPTABLE		MOST OFFENSIVE		% Total Mentions to Total Interviews	% Total "Most Acceptable" to Total Interviews	% Total "Most Offensive" to Total Interviews
	No.	Per Cent	No.	Per Cent			
General Foods—Jello—Jack Benny.....	197	98.0	4	2.0	21.4	21.0	0.4
Ford Motor Company.....	138	96.5	5	3.5	15.2	14.7	0.5
Ford (Program unspecified).....	96	.....	5	.....	.....	.....	.....
Symphony Program.....	15	.....	.....	.....	.....	.....	.....
Fred Waring.....	27	.....	.....	.....	.....	.....	.....
Standard Brands—Chase & Sanborn—Major Bowes.....	92	80.0	23	20.0	12.3	9.8	2.5
General Motors—Symphonies.....	41	100.0	.....	.....	4.4	4.4	.....
Lucky Strike—Hit Parade.....	34	89.5	4	10.5	4.0	3.6	0.4
Campbell's—(Program unspecified).....	31	100.0	.....	.....	3.3	3.3	.....
Lux Toilet Soap—Lux Radio Theatre.....	25	83.3	5	16.7	3.2	2.7	0.5
Bristol-Myers—Ipana and Sal Hepatica—Fred Allen Town Hall.....	25	67.6	12	32.4	3.9	2.7	1.2
Standard Brands—Tender Leaf Tea—One Man's Family.....	25	89.3	3	10.7	3.0	2.7	0.3
Kraft Music Hall—Bing Crosby.....	23	95.8	1	4.2	2.6	2.5	0.1
Camel—Caravan—Glen Gray—Walter O'Keefe.....	22	73.3	8	26.7	3.2	2.3	0.9
Pepsodent—Amos and Andy.....	20	32.3	42	67.7	6.6	2.1	4.5
Maxwell House Coffee—Show Boat.....	20	90.9	2	9.1	2.3	2.1	0.2
Pebeco—Eddie Cantor.....	19	63.3	11	36.7	3.2	2.0	1.2
Philco Radios—Boake Carter.....	19	100.0	.....	.....	2.0	2.0	.....
Standard Brands—Fleischmann's Yeast—Rudy Vallee.....	18	45.0	22	55.0	4.2	1.9	2.3
Remington-Rand—March of Time.....	17	77.3	5	22.7	2.3	1.8	0.5
Horlick's—Lum and Abner.....	15	57.7	11	42.3	2.8	1.6	1.2
Campbell's Tomato Juice—Burns and Allen.....	13	86.7	2	13.3	1.6	1.4	0.2
Blue Sunoco—Lowell Thomas.....	12	100.0	.....	.....	1.3	1.3	.....
Plymouth—Ed Wynn.....	12	44.4	15	55.6	2.9	1.3	1.6
Firestone—Voice of Firestone.....	11	100.0	.....	.....	1.2	1.2	.....
Gulf Gas—Phil Baker.....	9	81.8	2	18.2	1.2	1.0	0.2
Lady Esther—Wayne King.....	9	8.4	98	91.6	11.4	1.0	10.4
Wrigley's Gum—Myrt and Marge.....	9	81.8	2	18.2	1.2	1.0	0.2
Alka-Seltzer.....	7	31.8	15	68.2	2.3	0.7	1.6
Uncle Ezra.....	5	.....	5	.....	.....	.....	.....
Bar n Dance.....	2	.....	.....	.....	.....	.....	.....
Campbell's Soup—Hollywood Hotel.....	7	100.0	.....	.....	0.8	0.8	.....
Chevrolet.....	7	63.6	4	36.4	1.2	0.8	0.4
Rubinoff.....	7	.....	2	.....	.....	.....	.....
Electrically Transcribed.....	.....	.....	2	.....	.....	.....	.....
Cities Service—Jessica Dragonette.....	7	100.0	.....	.....	0.7	0.7	.....
Molle—Vox Pop.....	7	77.8	2	22.2	1.0	0.8	0.2
A. & P. Coffee—Kate Smith.....	6	60.0	4	40.0	1.1	0.7	0.4
Esso—Guy Lombardo.....	6	85.7	1	14.3	0.7	0.6	0.1
American Can—Ben Bernie.....	5	83.3	1	16.7	0.6	0.5	0.1
Baker's—Ozzie Nelson and Robt. Ripley.....	5	71.4	2	28.6	0.7	0.5	0.2
Chesterfield—Lily Pons.....	5	100.0	.....	.....	0.5	0.5	.....
Kellogg—Singing Lady.....	5	71.4	2	28.6	0.7	0.5	0.2
Pillsbury—Today's Children.....	5	71.4	2	28.6	0.7	0.5	0.2
Real Silk—Jack Hilton.....	5	100.0	.....	.....	0.5	0.5	.....
Woodbury—Paul Whiteman.....	5	71.4	2	28.6	0.7	0.5	0.2
Campana Corp.....	4	36.4	7	63.6	1.2	0.4	0.8
Campana (Unspecified).....	.....	.....	2	.....	.....	.....	.....
Italian Balm.....	2	.....	3	.....	.....	.....	.....
First Nighter.....	2	.....	2	.....	.....	.....	.....
Ivory Soap—Capt. Tim Healey.....	4	66.7	2	33.3	0.6	0.4	0.2
Kleenex—Mary Marlin.....	4	100.0	.....	.....	0.4	0.4	.....
Old Gold—Old Timers.....	4	100.0	.....	.....	0.4	0.4	.....

NOTE—Special breakdowns are given for Ford and three other products which had more than one program on the air.

NOTE—If a company owns several products, each of them is listed independently. If company name is mentioned without reference to a particular product, the mentions are listed under the company name, program unspecified.

(See page 896 for continuation of this table)

Baer & Wilde Fuses Jobbers into Swank Products, Inc. to Cut its Selling Costs

FOLLOWING the trend in men's wear, Baer & Wilde Co., maker of Kum-A-Part cuff buttons and the Swank line of other types of men's jewelry, has abolished all jobberships and consolidated its five exclusive selling companies with its manufacturing company into the new Swank Products, Inc. Thus Swank reduces distributing costs and effects other business betterments for the benefit of itself and its customers.

A new degree of permanency is created for the Swank business by the purchase of Swank preferred stock by the parent company and the five distributors and by a distribution of much of the common among the five selling units in proportion to their recent volume. This consolidation naturally removes all hazard of separation, gives the selling offices full opportunity to profit by whatever business-building ideas they have created in the past and may create in the future, and achieves complete unity behind the Swank brand.

Haberdashery Jobber Going Out

The home office concentrates upon manufacturing and product research without maintaining any separate offices throughout the country. Pricing can be done on a basis of consumer acceptance as determined by the distributors' knowledge and the manufacturer's technical experience. Both ends of the business can freely pool their fashion ideas.

The new Swank plan is logical in a haberdashery merchandising field from which the jobber has been disappearing for years. There are few hat wholesalers left in the country except in the St. Louis and Southwest areas. Only the low end shirt lines are handled by middlemen. Neckwear never was jobbed to any extent. In underwear and hosiery a large number of wholesalers still handle volume lines, but the bulk of the better business is in the hands of such producers as Cooper, Superior, Manhattan, Cluett-Peabody and Wilson. Jewelry lines, going both to men's wear stores and to jewelry retailers, are mainly distributed by manufacturers, although there are three or four important national wholesalers

Exclusive distributor plan worked so effectively in protecting the line that all six sales units now combine, thus pooling their ideas for greater efficiency and profit.



Swank Products, Inc., announced its jobber consolidation to the trade in May as part of its business paper advertising campaign.

in the Midwest, such as Ball, and a scattering of local jobbers elsewhere.

Baer & Wilde originated in Attleboro, Mass., the jewelry manufacturing hub, in 1898, and has made steady strides forward largely by creating interesting jewelry novelties with mass consumer appeal. In 1916 the company attracted fresh attention with its Kum-A-Part cuff buttons, in the days when the old stiff cuffs were being replaced on men's shirts by open or French cuffs. The company startled the industry by using full pages in *Saturday Evening Post* to put over this novelty. Sales of four million pairs a year followed. In 1927 it created the Swank holder for soft collars—"Looks like a pin, but isn't." Since then it has added various useful style items, in line with clothing trends.

Several years ago these were handled by nearly every worth-while wholesaler. But the company became dissatisfied because unscrupulous jobbers too often used the Swank line as a leader and cut prices on it in order to introduce other merchandise. The line then began to appear in undesirable outlets at prices far under the market. This endangered the good will and prestige that Baer & Wilde had been building up by continuous advertising and effective merchandising.

So the next step, in 1931, was a concentration on six wholesalers. Each had exclusive territory. Between them they covered the nation. This restricted distribution was through John S. Sampson & Son, New York; L. Heller & Co., Chicago; S. B. Lavick Co., Chicago; A. Rosenberg & Co., Boston; The Schriver Co., Philadelphia, and Milton Weiss & Co., Los Angeles.

These organizations, working so closely together for five years, are the ones that have now been fused with the manufacturer into Swank Products, Inc. Sana Stone is president; Lawrence Baer—moving spirit in the consolidation—is treasurer, and Carl Bagnell is vice-president.

Each of these new-old Swank sales organizations continues to cover the territory originally assigned to it, thus blanketing the country for sales and service. Sales to strictly jewelry outlets will be primarily made from the New York office unless the original plan is changed.

More Advertising Planned

With a new idea now at the fore—"personalized" jewelry, bearing the initials of the user—Swank Products is planning an immediate expansion of its advertising and merchandising. It probably will enlarge the columns and half pages it is now using in *Saturday Evening Post*, *Time* and other national magazines to full pages once more. Interesting new copy slants are in the offing for Swank lapel guards, key chains, belt buckles, cravat chains, bill clasps and cuff links. It is a consistent user of business magazines to keep the trade informed and stimulated.

Swank Products, Inc., with its new unity, believes it is "going to town."

Lawrence E. Baer, treasurer of Baer & Wilde, and moving spirit in the new consolidation.



SALES MANAGEMENT

“Mutiny in the Basement” Booms Oil-O-Matic Sales

Williams uses this anti-coal shovel theme in a 30-day selling campaign that moves more burners and brings in more new leads than any previous effort of the company

IT seems there is “Mutiny in the Basement” in various parts of the nation. Williams Oil-O-Matic Heating Corp. not only freely admits fomenting this 1936 mutiny against the tyranny of ashes, coal shovels and such; it unblushingly asserts the mutiny has already resulted in the best 30-day Spring sales campaign in Oil-O-Matic history and sales in early Summer months also mounted because of it. “Mutiny” is the theme of the current Williams’ national advertising.

The Spring 30-day special campaign got going April 9—at a time when oil burner sales are usually not too good; but it was exactly the right time to remind householders of the fire-stoking troubles they had been suffering all Winter. So Williams generated all the mutiny it could.

It was a carefully planned mutiny, however. And it followed up the company’s success of last year with its “Shadow of the Coal Shovel” advertising and selling campaign.

President’s Letter Starts It

The first announcement of the campaign was in a letter by President C. U. Williams to his country-wide organization. It was headed: “Take a Tip—Beware.” The letter said: “There is a movement abroad in this country and in your city amounting to MUTINY. Mutiny is something to be watched carefully. The movement apparently started in the Middle West and has spread like wildfire. You no doubt have heard of it and I wish you would write me regarding its progress in your city, and I will keep you informed regarding developments here. MUTINY must be watched.”

On March 17 another letter went out explaining the “Mutiny in the Basement” theme, announcing the 30-day campaign. A general bulletin outlined dealer requirements, special bonus payments, and prizes to dealers, sales organizations and individuals.

At the same time the Oil-O-Matic advertising campaign started in *Time*, *House Beautiful*, *House & Garden*,

Better Homes & Gardens, *American Home*, *Country Life* and *Christian Science Monitor*. The company hooked up the campaign with this year’s home building movement in *American Architect*, *Architectural Forum*, *Architectural Record*, *Architecture* and *Pencil Points*.

Dealers were urged to tie up local space with the company’s newspaper campaign running in the *Daily News* of New York, *Boston Globe*, *Baltimore Sun*, *Buffalo Times*, *Pittsburgh Press*, *St. Louis Post-Dispatch* and *Globe-Democrat*, *Des Moines Register-Tribune*, *Chicago Tribune*, *Philadelphia Inquirer*, *Washington Star*, *Cleveland Plain Dealer*, *Detroit News*, *Minneapolis Tribune* and *St. Paul Dispatch*.

Dealers Are Grouped by Size

Dealer rivalry was put on a sound basis by grouping dealers into five sections, according to their market opportunities. This evening up of opportunity proved excellent campaign psychology. A fund of \$50,000 was used to pay bonuses of worthwhile size to organizations and to salesmen. In addition, every man who sold 20 or more Oil-O-Matics during the 30-day campaign got a gold watch.

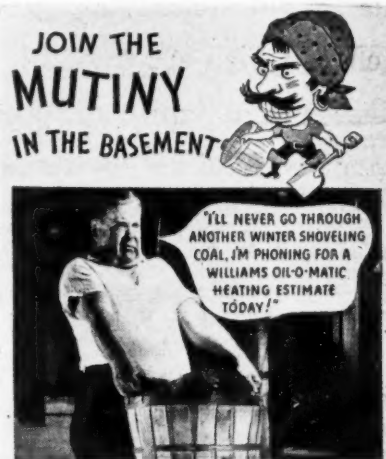
Even boiler and furnace manufacturers whose products are equipped with Oil-O-Matics participated in the prizes.

All sorts of devices were employed to rouse interest—including a hidden-word contest for salesmen’s children. With cash prizes at stake, hundreds of boys and girls did their bit to get their dads registered at campaign headquarters.

Of course, all manner of letters and broadsides were mailed out to keep “Mutiny” in every man’s mind, whether he was a sales manager or a door-bell puncher.

The 30-day campaign not only built up Oil-O-Matic sales (Philadelphia exceeded the \$100,000 mark; a small-town dealer who hadn’t made a sale in a year sold five burners; New England, in spite of its flood, beat the same 30 days of 1935 by 60%; a

dealer in Sweden bought a carload; three Florida towns sold more in 30 days than in all 1935) but it also attracted much new blood into the Oil-O-Matic sales organization, built up dealers’ organizations nearly everywhere and turned in a vast number of new prospects for future attention.



Install OIL-O-MATIC now
Nothing more to pay till October 1st!

There’s mutiny below... in thousands of basements. Men—yes, and women, too—who have patiently shoveled tons of coal into the furnace, then shoveled it out again in ashes... are finding how little it costs to have clean, care-free Williams Oil-O-Matic heat.

Just think of it! Mass production (Oil-O-Matic is the world’s largest selling oil burner) has reduced Williams Oil-O-Matic prices 50% in five years! The new Oil-O-Matic cuts fuel costs to the bone. Now add to this what Oil-

O-Matic saves you in ash hauling, furnace cleaning and repairs, cleaning and decorating costs and doctor bills due to uncertain coal heat. Do you see why the majority of Oil-O-Matic owners in a recent investigation said “It costs more than coal!”

Don’t shovel coal another winter. Williams Oil-O-Matic can be installed in your present heating plant in a few hours. It is noiseless, smooth, needs no attention. And Oil-O-Matic’s Summer Plan, under the F.H.A. program, permits installation NOW. Nothing to pay until October 1st—then 12 to 36 months to pay the balance—low interest charges.

Write or phone your Oil-O-Matic dealer today for a free heating estimate.

Also Manufacturers of Ice-O-Matic and Air-O-Matic

FREE! Fascinating new booklet “HOW TO AVOID A ROOM IN YOUR HOME”

Mail coupon today

WILLIAMS OIL-O-MATIC HEATING CORP., Dept. 132, Birmingham, 10.

Please send me your new free booklet “How to avoid a room in your home.”

Name _____

Address _____

City _____ State _____



Magazine and newspaper copy like this keeps “Mutiny in the Basement” alive through the Summer for Williams Oil-O-Matic.

All in all, it turned out to be Williams’ “Most successful sales campaign,” according to Don Frank, advertising manager, and its “Mutiny” theme is running in Oil-O-Matic’s heavy advertising schedule right through the Summer and into next Fall. He says the mutiny was first an epidemic; now it is chronic.

Davis New Nesco S.M.

Guy C. Davis, former Dallas district sales manager of the National Enameling and Stamping Co., has been appointed director of sales for the entire organization. He has been identified with the kitchen utensil and housewares industry for many years. T. W. Gulley, Nesco v.p., and William Kelley, general sales manager, will collaborate with Mr. Davis in his new duties.

Zenith Tries to Enlist Other Makers to Fight Spiffs and Secret Rebates

Radio is not the only industry which has periodic conditions of chaos which are traceable to varied forms of commercial bribery; what Zenith and other responsible leaders are doing to remedy the situation should interest executives in all fields

BY LESTER B. COLBY

COMMANDER E. F. McDONALD, JR., president of Zenith Radio Corp., has been writing letters. He mailed out 57,000 letters to radio dealers all over the United States; he mailed letters to chief executives of all the other radio manufacturing concerns—men like Owen D. Young of GE and David Sarnoff of RCA—and he mailed letters to members of the Federal Trade Commission, trade paper publishers and newspaper editors.

The thing he was writing about chiefly is a little matter known as "Rule 2." It seems that Rule 2 of the Trade Practice Rules proposed for the Radio Receiver Manufacturing Industry and submitted to the Federal Trade Commission for approval—and approved—is a simple, straightforward grouping of words which says:

"Commercial bribery is immoral, against public interest and is unfair in trade practice."

Certain paragraphs in the dealer letter caught the eye of your SM reporter in Chicago. Among them were these:

"We do not believe that cruises, PM's or secret rebates bring any more people into your store; nor do they put more money into the pockets of your customers to spend with you; nor do they send your customers away better satisfied.

"We feel that the dealers and the public are entitled to have this dollar value put into the product.

"It is Zenith's ambition to help stabilize the radio industry . . . protect the customer's purchase and the dealer's profit."

A letter received by SM mentioned "spiffs" and the inference was that spiffs were bad medicine. Well, Commander McDonald being out on the West Coast—selling radios—we got to Edgar G. Herrmann, of Zenith, and asked what it was all about. His ex-

planation ran something like this:

About seven years ago the radio industry slipped into a condition politely referred to as chaos but by the more outspoken as hell. With business slipping—remember 1929—manufacturers began to use every wile and every hook and crook to load up dealers.

Liquidation sales followed. Each Christmas passed with big stocks of unsold radios. In January prices were slashed; radios marked down to one-half or one-third their holiday prices. Buyers, seeing, waxed indignant. Instalment buyers refused to carry out contracts and turned their radios back to instalment credit houses and finance companies. Why not? They could buy another and save money.

Dealers began to go broke; so did

some of the manufacturers. Majestic (Grigsby-Grunow), once tops, went through the washer. Numerous other manufacturers withered. How many survivors can you name now, offhand? Philco, RCA, GE, Zenith—go on. There are a dozen or more fairly prominent, but the trick is to think of them quickly. Atwater Kent passed out of the radio manufacturing picture last week.

Well, that's where the "spiffs" come in. Spiffs or PM's are the trade term for manufacturer's "side money" slipped to salesmen to push their goods in the other fellow's store. The other fellow is the dealer who may handle two or more lines.

Manufacturers employing the system refer to it as "promotion money," hence the term PM's. The clerks and dealers, more contemptuous, invented the more derisive "spiff." Spiffs as a rule have run, according to Mr. Herrmann, from 1% to 3% of the retail price of the set, though on some "bum models" they might go \$10 flat regardless of price.

Salesmen, of course, got these payments with the knowledge of the dealer who in turn looked upon it, in the beginning, as a kindly effort on

Air Power: Commander E. F. McDonald, Jr., president of Zenith Radio Corp., Chicago, is one of the pioneers of the industry, having started to manufacture radios 21 years ago. He took the first short wave radio set to Greenland with the McMillan Expedition in 1923 and left sets among the natives when he returned in 1925. Difficulties on the part of the Greenlanders in keeping their batteries charged led him to search for some possible method. Years later he found two farmers, brothers, up in Minnesota, who had developed a wind charger. To encourage them he gave an order for 50,000 and from that the Wincharger Corp. grew. More than 30 corporations and companies are now using wind chargers. They can be made large enough to run farm lights and refrigerators. Commander McDonald lives on his yacht, Mizpah, which rides at anchor all Summer in the yacht harbor off Grant Park, Chicago. In the Winter it lies under the Michigan Avenue bridge.



the part of the manufacturer to help him pay his men.

But shortly the suspicion grew on him that what it meant was that the men were being bribed to shove and push inferior goods onto the customer. In other words, the cheap set, the set that was lacking in quality or looks, or was otherwise a drug on the market, was being forced upon the public. And the public was becoming increasingly dissatisfied with the deal it was getting.

The spiffers shortly found themselves spoofed by their own spiffing because, feeling themselves clever, and being sharers in the dealer's overhead, they overloaded him, he grew bitter and over-cautious when he found carry-overs, and everything went hay-wire. Competing lines also suffered.

The radio manufacturing industry has no umpire, like baseball or the films, and some units in it are comparatively young and inexperienced (though pioneering Commander McDonald has been manufacturing radios for 21 years) and so things have been prone to happen.

Medicine for a Sick Industry

Commander McDonald is now trying to sell the industry on a few reforms which he thinks will help. Among them are:

1. Eliminate the spiffs, PM'S, and all other forms of insidious "slick money" by which salesmen are bribed to push certain lines.
2. Eliminate the overloading of dealers through any kind of forced sales efforts.
3. Discourage liquidation sales and all sorts of cut-price sales.
4. Keep all inventories well balanced in relation to sales and prospects for sales.
5. Get all manufacturers to agree on ethical sales practices and abide by them.

At the dealer convention held in Chicago in May, Zenith took orders for immediate delivery totaling \$4,187,634 as compared with orders for about \$1,200,000 in 1935. That is a gain of nearly 350% in a year.

"One of the reasons why we find ourselves in this position," Commander McDonald said, "is that we managed our sales so that the fiscal year ended with all stocks sold. Our dealers had their floors cleared, our distributors had wiped out their stocks and we didn't have one last year's model unsold in the factory.

"We hadn't stuck our dealers. We had helped them to do a profitable business. We had their confidence
(Continued on page 916)

JUNE 15, 1936

The Scratch-Pad

The good old New York Times said that the parents of Passaic's quadruplets had been "sweathearts" in Germany. And over here, too, I'd say. Mostly "the sweat of his frau," as the old gag went.

Kensil Bell thinks Tin Pan Alley should do a heart-flutter called: "I Found a Pearl Behind an Oyster-Bar."

And Russell Peterson reports a sign over a tire shop in Erie: "Invite us to your next blowout."

Be ye not overmuch deceived by the beautiful proofs just off the engraver's press. The public never sees those. On good, glossy paper you'll come close to duplicating the engraver's fine effect. But some publications will naturally lose something through paper, make-ready, ink, or speed. So don't be too hard on them if and when they do.



T. Harry Thompson

any other continent, Texas would be a country—not a mere state. Good luck to you-all, Pardners!

Seagram got a head start on most post-Repeal distillers. Seagram wasn't caught with its plants down.

A correspondent reports a sign outside Christ Cella's, in New York, reading: "Alterations As Usual During Business," with the comment: "Ain't it always that way?"

"That fellow's a salesman," I said, holding fast to my dreams. "He can even bring an order out of chaos!"

Once again, Gimbels (Philadelphia) is packing 'em in during the heat of Summer with old-time movies. Bill Hart, Robert Harron, Mae Marsh, Charlie Chaplin. An ancient newsreel shows the one and only T. B. What strides the flickers have made since nickel-odeon days!

No, Helen; trained fleas do not swim in a gnatatorium.

What this country needs is Prosperity on a non-cancelable basis. What this country also needs, as the late Tom Marshall didn't say, is a good 15-cent cocktail.

A biographer could do a book on Firestone, Goodyear, and Seiberling and call it: "The Rubber Barons."

Speaking of Seiberling, that was a neat headline: "Two treads are safer than one!"

Well, I'm practically convinced. The Briggs Manufacturing Co., Detroit, has sent me a handsome catalog showing, among other items, a non-skid bathtub. It has a spiral bottom, said to be comfortable to yours. We're making progress, Men.

The critics, including Winchell, thought "The Moon's Our Home" was a very amusing movie. Pardon me, but I thought it was louzy, with a "z."

The Seiberling headline reminds me of another good one, by Dewar's: "Two heads are better than one . . . except when they're on the same shoulders!"

In all spheres of American life, the art of listening is all too rare. Most of us are nervously waiting for OUR turn at the monologue . . . and, more's the pity, not always waiting.

Out of the Deep South comes a timely bit, written many years ago. On a P. H. Hanes Knitting Co. letterhead is pasted a sepia sticker with a portrait-head of Lincoln and this pertinent admonition: "Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built. Abraham Lincoln."

Some folks are so goody-goody, they wouldn't play BADminton.

T. Harry Thompson

[881]

Marketing Flashes

[New Products—New Jobs—Sales Strategy—Promotions]
—Phillips Packing Holds Telegraph Sales Convention

Asbestos Cats

Phillips Packing Co., which last year held a sales convention by air mail, is holding a similar "gathering" via Postal Telegraph. A series of teaser cards warned representatives all over the country "You're going to get news of Acres of Diamonds." Next Postal's "Little Boy Blue" delivered a telegram: "Hearty greetings Stop This flash starts America's first telegraph convention."

A blown-up telegram accompanied the message: "There are acres of diamonds in your own backyard. . . . The convention will try to tell you where and how to find them. . . . In progress from June 1 to 29 and our goal will be an average of at least five new Phillips Delicious varieties added to every customer's assortment."

Another message from Col. Albanus Phillips explained that the "click of the telegraph key will form the connecting link in the miles . . . between your desk and ours. . . . Last year all former June records were beaten as easily as an asbestos cat outfoots a wax-legged dog in Hades. And we want every convention member to be an asbestos cat in June, 1936."

Salesmen in 300 cities are receiving packets of imitation diamonds, for the renowned lecture of Dr. Russell H. Conwell, "Acres of Diamonds," is an important element in the telegraph convention. Every address, sales con-

ference, and convention feature is being flashed to them, "involving relays and deliveries of many tons of messages" by the hard-working Little Blue Boys. Proudly Col. Phillips declares his "convention hall is 3,000 miles wide, and 1,600 miles deep," something of a record.

Will Trailers Lead?

Because Charles C. Gibson, president of the Mullins Manufacturing Corp., Salem, Ohio, believes that "trailers will be the next big industry, ranking in size and importance with automatic refrigeration and radio," his company brings out an auto trailer. (Picture on page 902.)

Entirely of steel, streamlined, selling for about \$119, the trailer will carry a load of 1,200 pounds of luggage. With air pillows and mattresses it serves as a sleeper for two people. Automobile dealers will be the distributors. Paul F. Brophy, g.s.m., directs the sales of Mullins trailer division.

Tire Insurance

Any buyer of Sears, Roebuck's All-State or Super Quality tires can collect \$1,000 from Lloyd's of London merely by getting killed as the result of a blowout within a year. For specified injuries, such as loss of an eye, leg, etc., he can collect from \$500 to \$1,000.

Besides being an ingenious talking point for Sears' tires, the stunt has another angle: The average tire is now run 18 months or more. But, SR officials believe, many cautious drivers will retire their tires after a year, or when the insurance policy expires. Then they'll buy new tires to get fresh protection.

American insurance companies, it is said, have declined to issue blowout insurance, though tire makers have for years asked for it right prettily. Lloyd's, famous for centuries as a firm that would bet on anything from the possibility of war between Ugandaland Protectorate and Nova Zembla to the misfortune of your wife having sextuplets, is taking a chance with the mail order house.

Helping Baby

Using an established product to call attention to a newcomer is by no means unheard of in marketing procedure. Kraft Phenix Cheese Corp., however, is throwing the prestige of its 17 products behind an addition to the line (French dressing), and that is worth noting.

On June 11 the NBC network of 58 stations proclaimed the advent of this youngest Kraft delicacy. Simultaneously all seven varieties of Kraft cheese spreads, four kinds of salad dressing, blossomed with ads for the French dressing on their container tops. Six other kinds of KP eatables packed in paper or foil had announcements of the dressing as package inserts. Millions of ads were thus placed on kitchen and dining room tables at a small cost to Kraft.

Retailers, of course, have been supplied with counter and window displays, posters, folders and the like, to be used in conjunction with fruit, vegetable, and fish displays. Kraft anticipates that the infant product will grow into a lusty athlete, breaking as many sales records as did its older brother, Miracle Whip.

New Faces

Alfred H. Verner is appointed sales promotion mgr. of the Shaler Co., Milwaukee. He was formerly with the Kinite Corp., Sheboygan Falls, Wis.

John F. G. Miller, v.-p. of B. F. Sturtevant Co., Hyde Park, Mass., is elected president of the Air Conditioning Manufacturers' Association. Twelve leading makers of cooling and heating equipment formed the association in 1935.

The Association of National Advertisers, Inc., elects to membership:

(Continued on page 917)

SALES MANAGEMENT



Covers the Map: Visitors to the Paraffine Companies, Inc., San Francisco office step on the firm's product and advertisement. On the map, made in ten colors of Pabco inlaid linoleum, countries where Pabco goods are sold are in yellow. The map's main purpose is to impress the world-wide activities of Pabco on visitors; but salesmen also point out that other concerns may dramatize their products or trademarks in a like manner.



Snapped at the convention banquet of the National Federation of Sales Executives, in St. Louis. Other candid camera snapshots on the following two pages.

Federation of Sales Executives Begins Its Active Career

NEARLY 100,000 words of factual oratory on the problems of modern sales management spell the answer to the First Annual Meeting of the National Federation of Sales Executives held in St. Louis on May 29 and 30, in cooperation with the Sales Managers Bureau of the St. Louis Chamber of Commerce.

For two full days, a highly attentive audience numbering several hundred listened to an imposing array of speakers, who talked chiefly on the established theme "The Human Equation in Modern Sales Management."

In opening the first session, President Raymond Bill introduced the principal officers. He explained that the affairs of the Federation have been actively conducted by the executive committee headed by Saunders Norvell, also general chairman of the Federation. He pointed out that since the first of the year, when the Federation was chartered, attention had been devoted to membership development with the result that the Federation now numbers upwards of 400 charter members who comprise a blue book list of the sales executives of American business, and it also includes a majority of the clubs and associations which are

active in the sales and marketing field. All members, whether individual or association, have been enrolled on the basis of a single invitation letter. The entire membership, now numbering several thousand, has been obtained with little or no publicity or promotion and without the payment of compensation or expenses to anyone. He also explained that the St. Louis meeting represents the beginning of an active functioning career for the Federation.

After paying tribute to St. Louis, as a great marketing center, and also to the Sales Managers Bureau of St. Louis for its leadership in the association field, Mr. Bill introduced Joseph Zipf, president of the local body, who presided over the first session. Mr. Zipf responded by congratulating the Federation officials on the formation of the organization and by pledging the hearty support and cooperation of the St. Louis group in its future development.

Merrill B. Sands, vice-president of the Dictaphone Corp., and treasurer of the Federation, spoke first on "The Federation—Its Opportunities." He said in part:

The Federation is composed of sales executives, whether they be enrolled as individuals or as

members of an association. By sales executives is meant the men in the field of American management who are charged with the responsibility for sales. Whether such a man be a president, a vice-president, a chairman of the board, a general sales manager, a director of sales, or whatnot, if he is a sales executive, then the Federation is interested in him and he in it.

"There are three distinct kinds of sales managers' clubs. There is the selective club, with memberships open to only one representative from a given industry and competitors rigorously excluded. There is the collective association which welcomes rather than excludes competitors and depends for its usefulness, to a real extent, on its size. Then there is the trade association composed of the sales executives of all of the firms in a given industry who are members of that industry's trade association.

"Here then we have three distinct classifications of sales associations which have been in existence for years, examples of which can be found in practically all parts of the country. Their existence alone argues for the opportunities confronting them. The great common denominator of their opportunities is at the same time the principal reason for their existence.

"This common denominator is the sales executive's need for a clearing house of sales management experience. Production and accounting executives can go to well-stocked libraries, or can turn to thriving, long-established educational institutions in which they secured their training and experience. On the other hand, with all due respect to the meritorious courses in marketing provided by leading universities, with profound respect to the considerable library on sales management, the sales executive has a need for creating his own clearing house of experience, and availing himself of it, that does not confront other executives.

"That same need has always confronted the sales managers' associations but is only now beginning to be met. Just as sales executives as individuals have formed associations for their individual development, so sales executives' associations have a great need to be served, and a great opportunity to be grasped, in a federation.

(Continued on page 904)



(Above) In a corner during an intermission, Saunders Norvell tells some of the business stories for which he is famous to Raymond Bill, R. P. Page, Jr., J. C. Aspley, and W. V. Ballew.

St. Louis Convention Newsreel of the National Federation of Sales Executives

(Below) C. D. Garretson, left, president of the Electric Hose & Rubber Co., Wilmington, Del., and Sidney E. Carter, manager of the Merchants Service Dept. of the Rice-Stix Drygoods Co., St. Louis, meet for the first time.

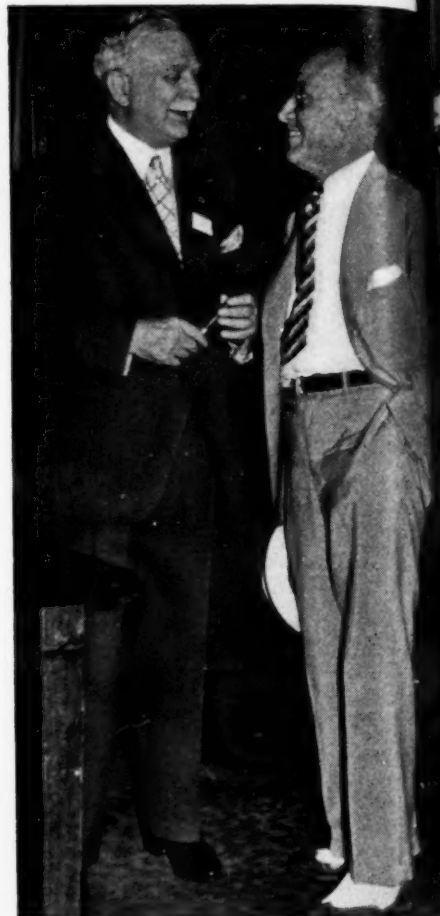


(Below) J. C. Aspley, left, president of The Dartnell Corp., and J. H. Carothers (right), sales manager, Adohr Milk Farms, Los Angeles, hear from Merrill B. Sands, vice-president in charge of sales, The Dictaphone Corp., New York, of the big up-swing in the office equipment field.



(Above) Brien McMahon, Assistant Attorney General, U. S. Department of Justice, was a featured speaker. He doesn't wear this friendly smile when trying gangsters for income tax evasions.

(Below) Saunders Norvell, left, who rose to business fame in St. Louis, chats about the old home town with Charles Somers, president of the Majestic Range Co. and chairman of the Traffic Committee of the St. Louis Chamber of Commerce.



(Below) Chester McCall, Special Assistant to Secretary of Commerce Daniel A. Roper, told delegates that they should sell company policies as well as products—hours, wages, prices, profits, etc.





(Below) Frank W. Lovejoy, sales executive of the Socony-Vacuum Oil Co., forgot to bring his harmonica to the meeting. He bills himself as the champion player of Scarsdale, New York—and, in fact, comes from a whole family of champion harmonica players. Other essential data about him include an unshaken belief that if he really concentrated on the game he would golf somewhere in the upper 70's.



(Above) Frank Coutant, of Miller & Ryan and recently elected president of the American Marketing Society, has been checking over the program to see when he must do his stuff as a speaker.

(Below) Carl Wollner, left, president of the Panther Oil & Grease Co., Ft. Worth, and William H. Brian, southwestern sales manager of the Eureka Vacuum Cleaner Co. and former president of the St. Louis Sales Managers Bureau, find a quiet corner to discuss zooming sales curves.



(Below) Joseph E. Zipf, president of the Sales Managers Council of the St. Louis Chamber of Commerce, receives his commission as a Texas Ranger from W. V. Ballew, together with the official Stetson.



(Above) Bernard Lichtenberg, head of the Institute of Public Relations, New York, and R. P. Page, Jr., president of the Autocar Co., Ardmore, Pa., swap stories while waiting for the noon meeting.

(Below) W. V. Ballew, sales manager of the Dr. Pepper Co. and one of the members of the Texas delegation, tries out a Texas Ranger 10-gallon hat on Raymond Bill, publisher of SALES MANAGEMENT, while Saunders Norvell, chairman of the Federation, and Richard Waldo, head of the McClure Syndicate, look on. Mr. Bill and Joseph E. Zipf were officially commissioned as Texas Rangers.



(Right) Two large insurance executives register for the convention. Grant L. Hill, director of agencies, Northwestern Mutual Life Insurance Co., Milwaukee, is registering while Clarence H. Poinexter, general agent of the company in St. Louis, is next in line.



(Below) J. W. Ord, sales manager, American Telephone & Telegraph Co., New York, tells something to W. O. Housam, division superintendent of the Southwestern Bell Telephone Co., St. Louis, and Raymond Bill which renders those gentlemen speechless—for the moment.



"Wild" Competition Causes Atwater Kent to Withdraw From Radio Set Field

FOR the rest of this year—and probably for good—A. Atwater Kent has quit making radio sets. The methods of competitive manufacturers (see page 880 of this issue of SM) are said to have been largely responsible. They interfered with his principles and with his pocketbook.

Formerly first in radio set sales, Atwater Kent Manufacturing Co. in the last couple of years has been "fifth or sixth." Mr. Kent has been unwilling to "pay the costs" of an aggressive and perhaps ruthless fight to regain dominance.

The company's announcement to newspapers, through its agency, Batten, Barton, Durstine & Osborn, did not say that. It said merely that the company "has decided to be less active in radio lines and has so informed its distributors. . . . It is not in a position at this time to state what new line of activity it has planned for the future."

The announcement mentioned that "less than 100 employees will be affected by this decision." These are all that remain of as many as 800 employed in part-time production last Winter, and of 13,000 on its rolls in 1929, when Mr. Kent was sitting on top of the radio world.

Trade Surprised by Move

Because he was unwilling at this time to spend heavily to introduce and promote a 1936-37 line, it was said he made the announcement early enough to the trade to permit them, if they wished, to sign up with others.

As for himself, Mr. Kent—founder, owner and president of the company—does not need to worry. He has made his pile. He is past 60 now, and may retire. Or he may devote part of his great two-block factory in Philadelphia to automobile ignition systems, products with which he made some progress before he started making radio sets, in 1920. He is an engineer by training.

The trade received Mr. Kent's decision with surprise—and regret. It was wholly unexpected. Trade paper advertising a few weeks ago said: "Coming soon . . . The 1937 line of Atwater Kent radios."

A. Atwater Kent, unwilling to wage promotional "fight," retires from field which he once topped. May resume manufacture of ignition systems. Dealers laud company's fairness in the past.

E. A. Wildermuth, Atwater Kent distributor in the New York metropolitan area—and probably the largest in volume of the 80 distributors handling Atwater Kents nationally—had already printed pamphlets about the line.

Interviewed by SM, Mr. Wildermuth was loyal. He has always had, he said, more than a square deal from Mr. Kent. And, if and when Mr. Kent decides to enter another line of business, Mr. Wildermuth will apply for the New York franchise. Provided, of course, the new line is within his scope, which covers a variety of household and automotive appliances, and is not competitive with one he already handles.

Mr. Wildermuth cited examples of



A. Atwater Kent

Mr. Kent's "fairness": When electrical radio sets were introduced in 1926, he said, "we had an inventory of nearly 10,000 battery sets in stock. Of course, the electrical made the battery sets immediately obsolete. Mr. Kent told us he was willing to take back any we could not dispose of in 60 days. He took back 8,600 sets—gave us the full price we had paid."

In December of that year the Atwater Kent company was ready to introduce one of its best instruments—Model 37. Mr. Kent decided, however, not to put it on the market that month, because he feared it would disrupt the dealers' sales in models they already had on hand, and would leave them with an undisposable surplus after the Christmas buying season. The dealers' inventories were in products of other manufacturers as well as Atwater Kent. The new model, which proved one of the best-selling numbers in the company history, was introduced to consumers on December 26. The company pocketed a loss on it to treat the trade fairly.

Although Mr. Kent—despite the aggressive competition of Majestic and then of Philco—might have been able to keep up with or ahead of the sales leaders, he decided in 1930 to pull in his horns, promotionally, for the period of the depression. Advertising, which had totaled as much as \$5,000,000 a year, was virtually eliminated.

Favored Price Maintenance

The company resumed advertising a couple of years ago, and spent about \$500,000 in the current year on a "control-room reception" theme. The "vacation" was due to Mr. Kent's belief that the depression brought too many hazards to his reputation. He did not want to engage in a war of price-cutting and bribery. Perhaps he feels somewhat similarly now.

Although Atwater Kent's models have been priced with those of competition, he has concentrated on those retailing above \$50. He has held to established prices as well as one humanly could, Mr. Wildermuth said. When he has made reductions, he has given the trade ample notification.

"In the 14 years I have worked with Mr. Kent," he pointed out, "we have only had a very simple written agreement. As far as I was concerned we did not need even that. Mr. Kent was not given to making large and flamboyant promises, but he always did much more for the trade than he promised."

"I hope he does come back in business. Business needs him."

SALES MANAGEMENT



The wheat harvest is on ♦ ♦ ♦ and a buyers' market prevails in Oklahoma and North Texas

The Oklahoma and Texas Panhandle wheat crop, far exceeding early expectations, is being harvested. This wheat, much of which will be marketed within the next sixty days, brings to Oklahoma and North Texas the first of the nation's 1936 cash crop income.

This income from wheat is the forerunner of a steady farm income of millions of dollars which these Southwestern farmers will receive as their corn, cotton, feed crops and broom-

corn mature and as their livestock and poultry goes to market.

Ample rainfall has made a crop for Oklahoma and North Texas for 1936. And with a crop year comes a buyers' market among the 227,000 farm families of this area who read and buy from the advertising columns of their farm paper, *The Farmer-Stockman*.

The FARMER-STOCKMAN

*Now more than 227,000 circulation
Thoroughly covers Oklahoma and North Texas*



Sayre, Okla.—a town of 3,157—presents traffic problems comparable to Chicago's Michigan Avenue or New York's famous corner, Forty-second and Fifth. Sayre is in Beckham County, where there are no towns greater than 10,000 population

BY
RENÉ PEPIN

Phenomenal New Car Sales Gains Show Small Town Market Activity

The farm and small-town fields continue as bright spots; auto makers' biggest gains this Spring are in small towns, and the big mail order houses are breaking all-time sales records. Mr. Pepin tells why the spending wave will continue.

IT is quite evident that the wave of spending in small towns, which started early in 1934, was not one of these spasmodic business trends that come and go with seasons. The reports of the Bureau of Foreign and Domestic Commerce for 1934 showed rural retail sales 21% above 1933. During 1935, spending in small towns continued to the extent that with the close of the year, retail sales had jumped 19% over 1934.

The spending mood, however, is probably better illustrated when we look into the trend of new car sales. Secretary of Agriculture Wallace, in his report of 1935, states: "In towns of less than 10,000 population and on farms, sales of automobiles in 1934 totaled 833,000 as compared with 602,000 in 1933. This was an in-



This Princeton, Ill., drug store is tops in the city of 4,762. The proprietor doesn't seem to have much to learn from big city druggists in counter and shelf displays, floor displays, neatness and general all-around attractiveness. Nationally-known products dominate the displays.

crease of 231,000, or 38%. In cities of more than 10,000 population, on the other hand, sales of automobiles in 1934 were 1,055,000 as against 892,000 in 1933, an increase of 163,000, or only 18%."

As evidenced by Secretary Wallace's figures, people in small town and rural areas were buying more cars in 1934 than they ever did. On the other hand, there are some who may contend that a number of these small towns of less than 10,000 population are suburban towns adjacent to large cities and these tremendous increases in new car sales are purchases made by suburbanites and are really, in some measure, an indication of increased spending in cities. This, however, is

not so. Statistical evidence compiled by the Bureau of Foreign and Domestic Commerce on department store sales (which are an indication of the trend of spending in cities) shows an increase of only 13% in 1934 over 1933, and 5% in 1935 over 1934. During two months of 1934, March and May, department store sales showed a decrease of 3% and 1% respectively.

It is the contention of this writer that the story small town retail sales increases tell cannot be pinned to any one or several sections of the country. There is no doubt but that people in all small town and rural areas either have the buying urge solidly attached to their pocketbooks or that relatively



THE THREE MARKETEERS

THESE three laughing lads are marching off to high adventure. Plenty of money in their jeans; gay expectancy in their faces! Will their baskets come back bulging with the things you make and sell?

It all depends... on *where* you tell your story... *where* you sell your wares!

When you use Successful Farming there is no question of the market you reach or the mood in which you find it. It brings your story home to more farm families, gives you more RFD circulation, than any other magazine in the world! Meredith Publishing Company, Des Moines, Iowa.

SUCCESSFUL FARMING

THE LARGEST FARM CIRCULATION IN THE WORLD



This independent grocery store in Montrose, Colo.—a town of 3,566—is as thoroughly modern as the best metropolitan outlets. Among the nationally known products visible in this photograph (at least, before the engraver reduced it!) are: Post Toasties, Kellogg's corn flakes, Quaker Puffed Rice, Kellogg's All Bran, Kellogg's Rice Krispies, Kellogg's Whole Wheat, Shredded Wheat, Post's 40% Bran, Ralston's RyKrisp, Oxydol, Van Camp's pork and beans, Supersuds, Hills Bros. coffee, Quaker rolled oats, Certo, Gold Medal flour, Campbell soups, Heinz beans, Campfire marshmallows, Ritz crackers, Armour's Star ham, Mazola, Karo, Log Cabin syrup, and Blatz beer.

their incomes allow for greater leeway in retail spending than those of city dwellers.

Ernest Elmo Calkins says in his article, "Small Town," which appeared in the February issue of *The Atlantic Monthly*, "Small towns make their own standards of living and set the price as well as the pace. Not only are the necessities of life cheaper, but there is no occasion for some expendi-

tures that the city renders imperative—transportation, for instance, with its steady outlay of nickels, dimes, and half dollars for subway, bus, and taxi fares. No constant call for tipping, no \$35 a month for car storage." In the very words of Mr. Calkins, we find the keynote to the explanation of the healthy condition of countryside retail expenditures. Proportionately, people in small towns have more to spend in

retail sales than people in cities. Hence, when the spending mood is rampant in small town and rural areas, it is not unlikely to result in phenomenal retail sales increases.

Perhaps the most appropriate method for pointing to these healthy and growing small town increases is by choosing a luxury item such as new car sales and breaking down the figures by counties. In its September 15, 1935, issue *SALES MANAGEMENT* ran this writer's article, "How to Define Markets by City-County Population Groups," wherein it was indicated that the city-county method of breakdown pictured an ideal differentiation between the metropolitan markets and the small-town markets. Proof that this method met with widespread approval and acceptance is seen in the fact that several large New York agencies have adopted it, not only for the breakdown of market data, but also for circulation figures. Today, practically every large national publication makes its circulation figures available as of this method.

Thanks are due *SALES MANAGEMENT* also for having provided 1934 and 1935 new car sales figures by counties in its 1936 "Survey of Spending Power," which made possible the analysis shown accompanying this ar-

Percentage Increase of New Car Sales 1935 Over 1934

(In Geographical Divisions by City-County Population Groups)

Counties Having Largest Cities	500,000 AND OVER		100,000-500,000		25,000-100,000		10,000-25,000		2,500-10,000		UNDER 2,500		TOTAL	
	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935
New England.....	10,890	13,651	72,417	96,623	26,555	33,698	13,675	17,661	7,782	9,902	2,775	3,689	134,094	175,224
Increase.....		2,761		24,206		7,143		3,986		2,120		914		41,130
% Increase.....		25.4		33.4		26.9		29.1		27.2		32.9		30.7
Middle Atlantic.....	128,300	166,876	79,749	112,927	78,532	110,724	62,019	87,202	34,995	48,432	3,966	4,329	387,561	530,490
Increase.....		38,576		33,178		32,192		25,183		13,437		363		142,929
% Increase.....		30.1		41.6		41.0		40.6		38.4		9.2		36.9
South Atlantic.....	13,621	18,965	50,033	68,126	41,604	53,624	33,997	40,210	57,973	71,331	30,293	42,501	227,521	294,757
Increase.....		5,344		18,093		12,020		6,213		13,358		12,208		67,236
% Increase.....		39.2		36.2		28.9		18.3		23.0		40.3		29.6
East North Central.....	152,806	237,108	79,636	113,790	75,976	124,487	48,374	77,407	58,867	104,442	26,001	51,557	441,660	708,791
Increase.....		84,302		34,154		48,511		29,033		45,575		25,556		267,131
% Increase.....		55.2		42.9		63.9		60.0		77.4		98.3		60.5
East South Central.....			26,223	34,140	10,097	12,613	13,268	15,951	26,577	34,647	19,265	25,491	95,430	122,842
Increase.....				7,917		2,516		2,683		8,070		6,226		27,412
% Increase.....				30.2		24.9		20.2		30.4		32.3		28.7
West North Central.....	20,515	27,360	46,892	65,737	25,274	36,593	25,416	38,572	49,457	85,870	33,826	63,245	201,380	319,377
Increase.....		6,845		18,845		13,319		13,156		36,413		29,419		117,997
% Increase.....		33.4		40.2		52.7		51.8		73.6		87.0		58.6
West South Central.....			49,932	65,289	33,904	43,159	30,619	40,397	46,314	58,149	24,259	31,955	185,028	238,949
Increase.....				15,357		9,255		9,778		11,835		7,696		53,921
% Increase.....				30.8		27.3		31.9		25.6		31.7		29.1
Mountain.....			10,231	14,784	9,170	13,089	10,301	15,452	18,486	27,414	14,145	23,352	62,333	94,091
Increase.....				4,553		3,919		5,151		8,928		9,207		31,758
% Increase.....				44.5		42.7		50.0		48.3		65.1		50.9
Pacific.....	58,555	99,243	30,604	51,705	23,839	39,294	22,464	36,593	15,942	28,317	2,148	4,249	153,552	259,401
Increase.....		40,688		21,101		15,455		14,129		12,375		2,101		105,849
% Increase.....		69.5		68.9		64.8		62.9		77.6		97.8		68.9
U. S. TOTAL.....	384,687	563,203	445,717	623,121	324,951	469,281	260,133	369,445	316,393	468,504	156,678	250,368	1,888,559	2,743,922
Increase.....		178,516		177,404		144,330		109,312		152,111		93,690		855,363
% Increase.....		46.4		39.8		44.4		42.0		48.1		59.8		45.3

SOURCE—Based on analysis of R. L. Polk figures from *SALES MANAGEMENT*'S 1935 "Survey of Spending Power."

18,056

Small Town Families

Answered These Questions

This Questionnaire was
published in GRIT in March, 1936

What is the occupation of head of your family?

How many in your home read GRIT? Please list number of:
Men Women Children (under 18) Year

What make car do you own?

What tires do you usually buy?

What spark plugs do you usually buy?

What gasoline do you usually buy?

What oil do you usually buy?

What anti-freeze is in your car?

WITHIN THE NEXT YEAR DO YOU PLAN TO BUY:

Automobile? Make
Washing Machine? Make
Mechanical Refrigerator? Make

HOW DO YOU HEAT YOUR HOME? (Check which)

Stove ☐ Furnace ☐ Portable Heater ☐ Fireplace ☐

CHECK KIND OF COOKING STOVE YOU USE:

	In Winter	In Summer	
Wood	<input type="checkbox"/>	<input type="checkbox"/>	Kerosene Gasoline Electric
Coal	<input type="checkbox"/>	<input type="checkbox"/>	
Gas	<input type="checkbox"/>	<input type="checkbox"/>	

What make oil stove do you own?

What make shotgun does your family own?

What brand shells used?

What make rifle does your family own?

What brand cartridges used?

WHAT BRAND OF SOAP IS YOUR FAMILY NOW USING FOR:

Bath	Soaking family wash
Face	Boiling family wash
Very dirty hands	Rubbing family wash
Dishes	In washing machine
General cleaning	Silks and woolsens
Washing silk stockings	

What laundry starch are you now using?

What household cleanser do you use now?

Have you always used this brand?

If not, state brand formerly used:

WHAT BRANDS OF THE FOLLOWING ARE IN YOUR HOME NOW?
(If you do not recall the name, be sure to look it up on package)

Sugar	All purpose flour (sack)
Table salt	Cake flour (box)
Tea	Pancake flour (box)
Coffee	Canned soup
Coffee substitute	Canned milk
On Cereal questions write both name and kind. Example: "Smith's Corn Flakes," not just "Corn Flakes."	Flavored gelatin
Cold cereals	Plain gelatin (unflavored)
	Baking powder
	Commercial shortening
Hot cereals	Salad or cooking oil
	Table syrup
	Molasses
How many quarts did you put up last year of: Vegetables	
Fruits	Meats
	Jellies (Glasses)
WHAT BRANDS OF THE FOLLOWING ARE IN YOUR HOME NOW?	
Hand lotion	Tooth paste
Face cream	Tooth powder
Face powder	Tooth brush
Lipstick	Mouthwash
Razor	Cold remedy
Razor blades	Cough syrup (or drops)
Shaving cream	Laxative for adults
Shoe polish	Laxative for children
Fly Spray	Foot remedies

Would you like to see the answers?

The results have not been printed for general distribution, but any advertiser or agency executive may see those portions pertaining to his own line of business. No obligation. Write the home office.

JUNE 15, 1936



WILLIAMSPORT, PA.

[891]

Let's look at farm wealth



No one part of the country has a monopoly on good farms any more than one part of the country has a monopoly on important cities.

AMERICA'S great prairie and range states dominate agriculture in number of farm acres and amount of farm income. This leads to an inclination to think of them as the one worth-while farm market.

This is something like proclaiming New York or Chicago the one worth-while urban market.

When 21 factors (U. S. Census) indicative of farm wealth are based on equal areas of farm land, and applied to all sections of the country, it becomes evident that the farm market is just as national as the urban market. When these factors are considered, an acre or 100,000 acres in the Middle Atlantic states rank higher than a like number of farm acres in any other section of the country.

A study of the table on the opposite page will show in detail that the opportunity to sell tractors, trucks, cream separators, farm fence and other agricultural equipment extends from Coast to Coast, and from the Great Lakes to the Gulf of Mexico.

Coast to Coast, Great Lakes to Gulf, farm families most likely to buy such things are sifted out and brought together by their common interest in Country Gentleman magazine. To know that they are leading farm families, it is necessary only to read Country Gentleman. Its

1,500,000 circulation and its reputation as America's Foremost Rural Magazine reach into every state in the Union in almost exact proportion to your sales opportunity.

Seventy per cent of Country Gentleman families own homes. The ratio of automobile ownership to circulation is 105 per cent.

These are the types of families which determine the destinies of advertisers in places under 10,000 population—a market which furnishes 40 cents out of every dollar America spends at retail.

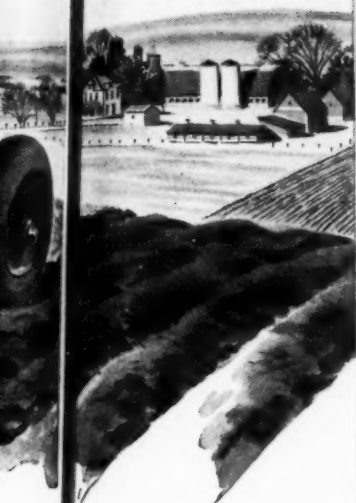
COUNTRY GENTLEMAN

AMERICA'S FOREMOST RURAL MAGAZINE

Key to 40% of National Sales Potential

The Curtis Publishing Company • Philadelphia, Boston, Chicago, Cleveland, Detroit, New York, San Francisco

thacre by acre...



Farm wealth ranking of Geographical Divisions ... based on equal areas of farm land

SOURCE: 21 FACTORS SHOWN
IN UNITED STATES CENSUS, 1935

Units of 100,000 acres of farm land used as basis for comparisons	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
Number Farms* . . .	4	3	5	8	2	1	6	9	7
Operated by Owners or Managers* . . .	1	2	3	7	5	4	8	9	6
Value Farm Property.	4	1	2	5	6	7	8	9	3
Value Land and Buildings*	2	1	3	5	6	7	8	9	4
Value of Farmers' Dwellings	2	1	3	7	4	5	8	9	6
Value Implements and Machinery . .	2	1	3	4	6	7	8	9	5
Farm Owned Autos .	3	1	2	6	4	5	8	9	7
Farm Owned Trucks.	2	1	3	6	5	7	8	9	4
Farm Owned Tractors	5	1	2	3	6	8	7	9	4
Farm Owned Electric Motors	1	3	4	5	6	8	9	7	2
Farm Telephones . .	1	3	2	4	7	5	8	9	6
Water Piped into Farm Houses . . .	1	2	4	6	5	8	7	9	3
Water Piped into Farm Bathrooms .	1	3	4	6	5	8	7	9	2
Farm Homes Lighted by Electricity . . .	1	2	4	6	5	7	9	8	3
Number Dairy Cows.	2	1	3	4	7	5	8	9	6
Milk Produced . . .	2	1	3	5	7	6	8	9	4
Number Chickens on Farms	3	1	2	4	7	6	8	9	5
Chicken Eggs Produced	3	1	2	5	6	7	8	9	4
Total Value Livestock Products—Dairy, Poultry, Wool. . .	2	1	3	5	6	7	8	9	4
Total Value Farm Crops —including Fruits and Vegetables . .	3	1	6	7	4	5	8	9	2
Value Domestic Ani- mals—Chickens, Bees	3	1	2	4	7	6	8	9	5
Rank on basis of ALL 21 Factors . . .	SECOND	FIRST	THIRD	FIFTH	SIXTH	SEVENTH	EIGHTH	NINTH	FOURTH

* U. S. Census, 1935

IF YOU SELL FARM IMPLEMENTS OR SUPPLIES, COUNTRY GENTLEMAN
SHOULD BE THE FIRST MAGAZINE IN YOUR ADVERTISING PLAN

If your product is
one most families
can use or enjoy,
Country Gentleman
should be one of
the first three
magazines in your
advertising plan.

ticle. New car sales during 1935 in counties having no towns greater than 2,500 population (more than one-third of all the counties in the United States) totaled 250,368—an increase of 93,690, or 59.8% over 1934. In the more than 1,000 counties having largest towns between 2,500 and 10,000 population, the 1935 new car sales totaled 468,504. These included an increase of 152,111, or 48.1%, over 1934. This increase, in both number of sales and per cent, was greater than the increase in counties having largest cities between 25,000 and 100,000 population. For that matter, the percentages of increase in all counties having no cities greater than 10,000 were greater than the percentages of increase in counties having largest cities of 10,000 or greater population.

A study of new car sales increases

in these small-town counties by geographical divisions serves as another outstanding indicator of small-town spending. In the East North Central States, for instance, in counties having no towns greater than 2,500 population, there was an increase of 98.3% in new car sales in 1935 over 1934. In this same county group in the West North Central States, the increase was 87.0%, and in the Pacific States there was a 97.8% increase. In the Middle Atlantic States there was a 38% increase in counties having largest towns of 2,500 to 10,000 population. This was greater by 8% than the increase, in this area, in counties having largest cities of 500,000 and over population.

It is opportune at this time to swoop down for a close-up of the small town. Let us look at Sayre, Okla., which has a population of 3,157. It has two

(Continued on page 916)

Plymouth Cordage Co. Makes Rope Exciting, Gets Sales, With Films

Is your product lacking in style appeal? Are your men tired of talking only price and quality? This company has, for 15 years, reawakened interest in rope—usually considered a humdrum item—with movies for prospects and patrons.

IN the rope industry, new styles, new products and seasonal campaigns are unknown. Plymouth Cordage Co., North Plymouth, Mass., however, finds that movies of manufacturing processes and uses are a major factor in sales increases.

Since 1921, when it pioneered with a silent picture, the company has been telling its story in a fresh, interesting way through films. Now Plymouth is equipping each of its nine branch warehouses and sales centers with 16-mm. RCA portable projectors, screens and new, non-inflammable films. In the past six months some 35,000 prospects, technicians, have viewed a previous picture.

This highly specialized audience will be broadened under Plymouth's distribution program. "Instead of being distributed by the general sales offices," explains Harry B. Bradley, assistant sales manager, "the company places the films in salesmen's hands in the branches. They arrange all showings." Records of such showings are forwarded to headquarters.

Audiences are divided into Plymouth's distributor sales organizations,

and users and purchasers of rope. The latter include engineering societies, fishermen's clubs, yacht clubs, conventions and exhibits, industrial and trade associations, purchasing agents' clubs,

These colorful scenes are from Plymouth's film, "The Story of Rope": (Below) a native Filipino at work cleaning Manila fiber in the Philippine Islands: (Right) a Philippine hemp cart—an unusual use of the basic material of rope.



wholesale and retail merchants' associations, and similar groups.

The new film, called "The Story of Rope," runs 33 minutes. In addition to manufacturing methods it depicts rope in action aboard the famous yacht *Defender*, in oil well drilling, mountain climbing, fishing and in other exciting uses. Worcester Film Corp., Worcester, Mass., produced it, under the general management of F. A. Ramsdell.

Reaction to film showings has been gratifying to the company. Instances have been reported where highly desirable prospects have been reached, and other records indicate keen interest evidenced by men in direct charge of rope purchasing which has added to the firm's sales. The following comments are typical:

"These people distribute Plymouth rope. I believe that our picture was instructive to all and will help their salesmen when calling upon the trade in the solicitation of business." (From a showing before a Midwestern jobber and his executives and salesmen.)

"'The Story of Rope' stole the show. Everyone was greatly impressed, and I place this showing near the top on results accomplished."

"The largest and most representative service club audience I have ever shown to, 300 persons attending. In all probability this showing will have sales benefits." (From one of the company's sales representatives.)

"Mr. Kennedy said that from a sales promotion standpoint he considered this film the best he had ever seen. They will arrange to have us show it at some fishermen's convention."

"I have never had the pleasure of seeing a group of intelligent men so interested as these people were at the showing."

Plymouth has five marketing divisions, reaching marine, industrial,

fishing, twine and general fields. The latter includes the wholesale hardware trade, and the industrial group includes business through mill supply houses. Plymouth has the distinction of being one of the few rope manufacturers to market its products nationally.

SALES MANAGEMENT



FOR *Colorful Selling* AT LOW COST...USE THE LITERARY DIGEST

KEEN MINDED advertisers and agency men know that "color sells" whether the product be automobiles or radios, travel or paint—color stops more eyes—gets more readers, and generally smooths the path for a bang-up piece of copy.

True, it costs more to hire this type of top-notch salesman. And that factor of cost has made many an advertiser regretfully decline his services. To them—and to every advertiser—the following figures may prove a joyful surprise.

You can buy a color page in all three news weeklies for \$7280—reaching more than a million three hundred thousand families. More startling still—you can buy a

four color page in The Literary Digest—reaching 45% of this market (over 600,000 families) for only 39% of the total cost. The largest slice of a buying market for the lowest cost per page per thousand.

Here is your opportunity to use color—compelling advertisements that reach and impress consumers and dealers alike—at a cost within any advertiser's reach.

Remember—The Literary Digest is the best color page buy. Use it this summer and fall and capitalize on presidential year interest in The Digest. Use it next spring and cash in on a thriving circulation at an economical rate.

ADD AND COMPARE it's color in The Digest

The Literary Digest	600,000	\$2700
Time	600,000	3250
News Week	160,000	1330
	<u>1,360,000</u>	<u>\$7280</u>

The literary Digest

Listeners Again Analyze and Rate Radio Commercial Announcements

(Continued from page 877)

onds daytime, but its time records during the past year indicate that not even in the daytime does the average exceed the night allowance. It seems safe to say that chain programs do not average above 2 minutes, or less than 17% of the broadcast time. A year ago the average was 2½ minutes, or 26%.

Psychologists can prove that there always is some overestimate of elapsed time, but in this case, because the overestimate is so great, it must be connected with considerable annoyance. The largest number of estimates fall in the 4 to 6 minutes group. See chart headed "How Long Is the Commercial Talk" for analysis of answers both years.

Are Commercials Educational?

This statement was shown to the radio owners who were interviewed: "The commercial advertising parts of radio programs are educational." Investigators asked people whether they agreed or disagreed with the statement.

In general they agreed—by a score of 56.7% to 43.3%.

Last year only 42% agreed, which would seem to indicate that announcements are at least in the process of becoming more interesting. As might be expected, those who most nearly guessed correctly the length of commercials were most in agreement with the statement that commercials are educational, but the variations were not nearly so extreme as last year.

Are Commercials Annoying?

Statement: "There is so much commercial advertising on the average program that it is annoying."

The reaction today is by no means the positive "yes" that it was last year. In 1935 two out of every three agreed with the statement; today it is only one out of two.

This attitude statement shows marked difference between the groups. Those who greatly overestimate the time taken up by sales talks are the ones who find them most annoying. Here are the scores for both years:

	1936	1935
Estimated-Time Groups		
0 to 2 minutes.....	36	55
2 " 4 ".....	44	55
4 " 6 ".....	52	64
6 " 8 ".....	65	76
Above 8 ".....	81	91
General average.....	50.3	63.2

Should There Be No Radio Advertising?

Statement: "Radio should be under government control."

In neither year have the proponents of government ownership been impor-

tant numerically. Last year 25.7% agreed with the statement; today only 16.7%.

In this year's study two new statements were introduced.

Programs Better Because of Ads?

Statement: "Radio programs are better because produced and paid for by advertisers."

Of those responding 86.4% agreed with this statement, and it was a general agreement. Of those who thought

Attitude Toward Commercial Advertising on Radio Programs

(Continued from page 877)

RADIO SPONSORS AND PROGRAMS	MOST ACCEPTABLE		MOST OFFENSIVE		% Total Mentions to Total Interviews	% Total "Most Acceptable" to Total Interviews	% Total "Most Offensive" to Total Interviews
	No.	Per Cent	No.	Per Cent			
Pabst Beer.....	4	80.0	1	20.0	0.5	0.4	0.1
Packard-Tibbett.....	4	100.0	..	..	0.4	0.4	..
Silver Cup Bread—Lone Ranger.....	4	57.1	3	42.9	0.7	0.4	0.3
Anacin—Easy Aces.....	3	42.9	4	57.1	0.7	0.3	0.4
Bayer's Aspirin (Program unspecified).....	3	50.0	3	50.0	0.6	0.3	0.3
Bond Bread.....	3	100.0	..	..	0.3	0.3	..
Dodge.....	3	75.0	1	25.0	0.4	0.3	0.1
General Mills.....	3	10.3	26	89.7	3.1	0.3	2.8
Betty and Bob.....	3	..	22	..	..	..	..
Bisquick—(Program unspecified).....	..	..	4	..	..	..	..
Pacific Coast Borax—Death Valley Days.....	3	100.0	..	..	0.3	0.3	..
Palmolive Soap.....	3	60.0	2	40.0	0.5	0.3	0.2
Mobiloil.....	3	100.0	..	..	0.3	0.3	..
Royal Gelatin—Frank Fay.....	3	50.0	3	50.0	0.6	0.3	0.3
Dill's Best.....	2	66.7	1	33.3	0.3	0.2	0.1
Fitch Shampoo.....	2	50.0	2	50.0	0.4	0.2	0.2
Jergen's—Winchell.....	2	22.2	7	77.8	1.0	0.2	0.8
Oxydol—Ma Perkins.....	2	25.0	6	75.0	0.9	0.2	0.7
Crisco—Vic and Sadie.....	2	50.0	2	50.0	0.4	0.2	0.2
Krueger's Beer.....	2	66.7	1	33.3	0.3	0.2	0.1
Philip Morris—Leo Reisman.....	1	8.3	11	91.7	1.3	0.1	1.2
Wasey Products—Voice of Experience.....	1	14.3	6	85.7	0.7	0.1	0.6
Bulova.....	..	..	5	100.0	0.5	..	0.5
Pinaud—Lilac Time.....	..	..	5	100.0	0.5	..	0.5
True Story—Court of Human Relations.....	..	..	5	100.0	0.5	..	0.5
Puroil—Jimmy Mattern.....	..	..	5	100.0	0.5	..	0.5
Crazy Crystals—Care-Free Carnival.....	..	..	6	100.0	0.6	..	0.6
Tums—Happy Jack Turner.....	..	..	6	100.0	0.6	..	0.6
Ex-Lax.....	..	..	8	100.0	0.9	..	0.9
I. J. Fox.....	..	..	8	100.0	0.9	..	0.9
Ovaltine—Orphan Annie.....	..	..	8	100.0	0.9	..	0.9
Chain Programs (Unspecified).....	8	100.0	..	..	0.9	0.9	..
Local Programs.....	3	1.5	199	98.5	21.5	0.3	21.2
None or Can't Specify.....	29	11.1	232	88.9	27.8	3.1	24.7
ALL COMMERCIAL PROGRAMS.....	1	20.0	4	80.0	0.5	0.1	0.4
PATENT MEDICINES PROGRAMS.....	..	..	11	100.0	1.2	..	1.2
COSMETICS PROGRAMS.....	..	..	3	100.0	0.3	..	0.3
CEREAL PROGRAMS.....	..	..	1	100.0	0.1	..	0.1
LAXATIVES PROGRAMS.....	..	..	6	100.0	0.6	..	0.6
LIQUOR PROGRAMS.....	..	..	3	100.0	0.3	..	0.3
ASTROLOGISTS.....	..	..	1	100.0	0.1	..	0.1

NOTE—Special breakdowns are given for Ford and three other products which had more than one program on the air.

NOTE—If a company owns several products, each of them is listed independently. If company name is mentioned without reference to a particular product, the mentions are listed under the company name, program unspecified.



When an OUT is an IN—

In New York City every June, some 800,000 children from elementary schools and more than 400,000 youngsters of high school age become better customers.

Vacationing kids eat more than seventeen-year locusts, wear out shoes faster than marathon dancers. They need summer clothes, bathing suits, sun glasses, Boy Scout kits, bicycles, sunburn remedies, ice cream cones, bandanas and bananas. They need everything. And their needs shake out the summer slumps in department stores, step up business for thousands of manufacturers. Whether the kids have rich parents or poor doesn't matter. Summer makes the kids bigger users, better customers. And the summertime juvenile market in New York City alone

is equal to the whole market of a major American city.

The News has always had the eye and the interest of the younger portion of New York's population—and of course the younger portion is the major portion. Kids become customers of a newspaper when they start reading comics, and The News has the world's best comics. (Ask any New York City child!) Many of our earlier young readers are parents now; and parents and children are News readers. So we can especially recommend The News as a summer medium for getting your share of the juvenile market.

Please make your space reservations early. Thank you.

THE NEWS
NEW YORK'S PICTURE NEWSPAPER

227 EAST FORTY-SECOND ST., NEW YORK
Tribune Tower, Chicago • Kohl Bldg., San Francisco

that commercials averaged 4 minutes or less, 87% agreed with the statement, and 80% of those who thought they ran 6 minutes or more likewise agreed.

Greater Censorship Needed?

- Statement: "Greater censorship should be exercised over subject matter in radio commercials."

No widespread demand for "reform" is indicated by the attitude towards this statement, but 46.8% agreed that greater censorship would help. Again, as in the answers to the preceding statement, there was little variation among the groups—the range being from 46 to 57%, the latter group being those who believe that more than half of the time in today's programs is taken up by sales talk.

As we pointed out last year, the study points to a distinction which may be drawn between familiarity with a program and familiarity with a sponsor or his product. You may be asked today what programs you listened to

last night, and you might answer, "Rudy Vallee and Show Boat." Such an answer would help to measure the listening audience of the programs, but perhaps you knew that the sponsors were Fleischmann's Yeast and Maxwell House Coffee, and perhaps you didn't.

The answer to the question asked in this survey left little room for doubt as to the sponsor. It would be difficult for listeners to answer the question without knowing the name of the product being advertised.

Some of the answers—as shown in the tabulation at the end of the list of identified programs—were of a general nature, such as mentions of all local programs, all laxative programs, all cosmetic programs, as being "most offensive."

Percentages have been worked out for the convenience of readers, but they have no real significance in the case of programs receiving only one or two mentions. Here, it would seem, the real significance is in the scarcity of mentions.

Ice Cream and Candy Volume Up, But It's "Not Due To Repeal"

Beer and liquor have no effect on nation's sweet tooth, say confectioners harassed by new-comer producers and low prices. Count on good merchandising to save them.

WHAT did Repeal do for ice cream and candy in this country? Time enough has now elapsed to make the point.

"Nothing constructive," declare leaders in each industry. Volume in both fields has been steadily rising since beer and liquor returned to our midst, and will attain a new all-time high this year. But few experts credit this to Repeal. Prices are so far "off," especially in the price-war-torn candy industry, that low dollar volume and vanishing profits are the big problems.

In both cases better merchandising is conceded to be the first answer, although advances in production methods are doing their share, particularly in the ice cream field.

Quicker freezing by new continuous-production machinery is rapidly replacing older methods of making ice cream and is cutting the costs of output. W. J. Monaghan, sales head of Pioneer Ice Cream Brands, is authority for the statement that practically no other

kinds of production equipment have been installed during the past two years.

But increased advertising and stronger merchandising that helps dealers move the product is proving equal to the swiftly increasing ice cream tonnage. As an example, a two weeks' WEA radio contest for the New York area offering a Ford, 50 Philcos and money prizes for entrants who turned in paper tabs from Mel-O-Rols yielded 150,000 tabs up to May 31. The backers expected between 50,000 and 75,000. So the contests are continuing right through the Summer. This and similar promotions throughout the country are helping to run up this year's ice cream volume to a "material advancement" over 1935.

Department of Commerce figures on national sales of ice cream for recent years, showing what happened not only during the higher-price years before Repeal, but also the steady rise since the 1933 low point, are shown in the following table:

	Value	Companies
1928.....	\$232,185,000	3403
1929.....	254,618,000	3626
1930.....	240,750,000	3583
1931.....	208,239,000	3676
1932.....	154,604,000	3619
1933.....	148,913,000	3702
1934.....	179,594,000	3812
1935*.....	197,140,000	....

*Preliminary estimate.

In the candy industry leaders agree better merchandising is also the great need. But it is harder to apply. Repeal, and its loudly heralded prospects for candy profits, attracted so many misfits into the business since 1933, according to William F. Heide, New York candy mogul, that price cutting to gain volume has created chaos.

"Last year and the year before," he tells SM, "the number of producers jumped. But the mortality among them was high, as you might expect. They've upset things trying to make money. Except for a comparatively few companies, the industry looks all red as a result. I don't think anybody could prove that the return of legitimate drinking has done a thing to improve the country's taste for candy."

During the week of June 8 the candy industry was in session in New York. But no plan to improve the throat-cutting price situation could be worked out. A steering committee of the National Confectionery Association, meeting two weeks in advance of the convention, proposed no panacea. The problem is still up to each company to solve in its own way.

Concentrate on Profit Items

"In my own company," Senator W. E. Brock, head of the Brock Candy Co., of Chattanooga, and president of the association, told SM, "we are trying to meet it by concentrating on lines of less price attack. Only last Saturday I called in my men from all over the South, filled them with enthusiasm for our new items on which we certainly will maintain fair-profit prices, and told them just naturally to quit selling chocolate drops—that line is always meat for price cutters—and let somebody else get it in the neck. They were all surprised when I told them how small a proportion of the total number of items are in the trouble classifications."

The association this year kept its whole convention program "in the family" with no outside "headline" speakers and with every bit of attention centered on daily problems familiar to every manufacturer. It was a business convention, accompanied by a materials and equipment exposition handled by Roberts Everett Associates of New York.

(Continued on page 915)



But

The CITY of IOWA ... is a BIGGER market!

SIMPLY put—a market is people to whom you can advertise and sell. For the national advertiser, 20% or more newspaper coverage of all families in an area is generally considered necessary to sell . . . establishes the effective “sales city.”

Measured by this standard, Cincinnati's Sunday newspaper is a powerful sales force in 7 counties with a total population of 930,802.

In Iowa The Des Moines Sunday Register's 286,047 circulation gives more than 20% coverage in 95 out of the state's 99 counties—turns a whole state into a single “sales city” of 2,344,735 people. *Average Iowa coverage is 45% of all families.*

Value of these two “cities” . . .

	Cincinnati 7 counties)	CITY of IOWA (95 counties)
Population*	930,802	2,344,735
New Car Sales†	22,958	65,364
Retail Sales‡	\$244,000,000	\$458,000,000
Spendable Money Inc.§	\$518,335,000	\$1,174,000,000

This rich Iowa “sales city” is easily captured through hard-hitting “big city” schedules in one newspaper—The Des Moines Sunday Register . . . read by 45% of all Iowa families.

*1930 Federal Census
†1935 R. L. Polk
‡1933 Federal Census
§1935 Sales Management





As the color wheel spins, spectators pause to gawk and gape.

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio, Direct Mail and Billboards]

Stopper

When motorists halt their cars, get out and walk to an outdoor billboard for a close-up, the advertiser whose wares are displayed on that billboard should be very happy.

The W. P. Fuller Co., San Francisco paint manufacturer, is glad to report, through its agents, McCann-Erickson, that this maximum of reader interest has been attained by a new outdoor bulletin on Los Angeles' Wilshire Boulevard. Sides, base and top mouldings are of Carrara glass in black, white, green, and gray. A revolving color wheel lends action and variety as it passes through a series of rainbow hues. The four words of copy are in blue neon tubing.

Foster & Kleiser designed the unusual sign hand in hand with McC-E's Pacific Coast art department.

Broad Sweep

Wendell P. Colton Co., agents for the Italian Line, are taking a bow for "the first full-page ad printed lengthwise in a standard-size New York newspaper." It appeared in *The Sun* and *Herald Tribune* and illustrated one of "the broad sweeping decks and swimming pools that enable you to make the most of the Southern Route's breezy, balmy weather." Most of the page was filled by the picture, with lots of people in bathing suits lolling, splashing, and taking life luxuriously.

For the dull Summer months the Italian steamship company is confining its ads to Manhattan dailies and direct mail. Other sidewise lures to travel are scheduled.

About a year ago Colton and Italian made ad history with an announcement in *Fortune*. It showed passengers looking through a ship's porthole. The porthole was cut out on the page

and the scenery glimpsed through it was on a following page. There were murmurs of interest and congratulation in agency circles. Not quite as startlingly different, the current newspaper ads, nevertheless, are sure to stop most page-turners.

Buick Broadcast

Buick Motors and Arthur Kudner, Inc., hope that the Brown Bomber and the Black Uhlan will prolong their exhibition of fisticuffs for the full 15 rounds on June 18, for then Buick can be mentioned frequently by radio announcers Edwin C. Hill and Clem McCarthy.

NBC's 86 red and blue network stations are to carry their descriptions. Moreover, Spanish and German-speaking announcers will be at the ringside to interlard a blow-by-blow account with a few phrases of Buick selling talk. Short wave transmission is to carry the foreign language announcements to South America and Europe, one of the few times this has been done in "the art of modified murder."

All Buick newspaper ads, 1,700 in 1,500 cities, will contain boxes calling attention to the broadcast. "Listening posts" will be established in all Buick dealerships and four-color posters are to be reminders to car buyers. A district managers' sales contest, with prizes of seats at the arena, is steaming up the Buick organization.

Cut It With a Fork

Wilson & Co., Chicago meat packer, and its agency, United States Advertising Corp., are busy sorting sheep from goats among entries in a name and slogan contest ended today, the 15th. The contest, part of Wilson's first extensive meat campaign in several years, was to introduce a "Ten-

der Made Ham, the ham you cut with a fork." A \$1,000 prize was offered.

Winning name and slogan have not yet been selected, but about June 26 it will be blazoned in newspapers of 80 cities. Spot radio also will remind listeners that the new ham "takes far less cooking time, fuel and attention," is "so tender, so full of flavor."

Talking Their Language

South Bend, Ind., is one of the most intensely industrialized cities in America. Factory wage earners per family are .479. Only Lowell, Mass., with .561, and Knoxville, Tenn., with .514 factory workers per family top South Bend in the group of towns of about 100,000 population.

Therefore Ward Baking Co. speaks in terms that South Benders can understand when it advises in local papers, "Every time you buy a loaf of Ward's Soft Bun bread you are helping directly or indirectly to supply employment in South Bend." This appeal to civic pride, and payrolls, is lacking in pristine novelty, yet as handled by agents Fletcher & Ellis it has a compelling sound.

Going down the line of South Bend's industries, copy recites that Ward is the largest purchaser of Studebaker trucks in the U. S.; one of the largest users of Bendix products; largest customer of Empire Box Co., and so on. Inescapably the moral is drawn: Eat Ward's bread and protect your own job.

What's in a Can?

American Can Co. is printing 70,000 copies of a booklet called "More About Canned Foods for the Home Economist." More than 14,000 requests for the booklet were received before the first edition. It will be sent to some 15,000 teachers of home economics, grocers, canners and others in the canning industry.

Bearing the seal of acceptance of the American Medical Association, it describes what's inside the cans of 25 different foods; describes types of canning and methods; gives nutrition values; and pictures luscious dishes made with canned foods. Citing various medical authorities in rebuttal of popular misconceptions about canned foods, it asks "the cooperation of the medical profession in combating the ludicrous lay prejudice." Several of a series of ads which have appeared in 51 medical and dental journals are reprinted.

"Canco recognizes the importance of this behind-the-consumer group" (home economists) and seeks to give them "correct nutritive information."

YOU KNOW, HARRY, I GET
BETTER RESULTS FROM THE
INQUIRER THAN FROM ANY
OTHER PHILADELPHIA PAPER.
OF COURSE IT HAS ALMOST A
MILLION CIRCULATION, DAILY
AND SUNDAY COMBINED, AND
I GUESS THAT ACCOUNTS
FOR THE RESULTS



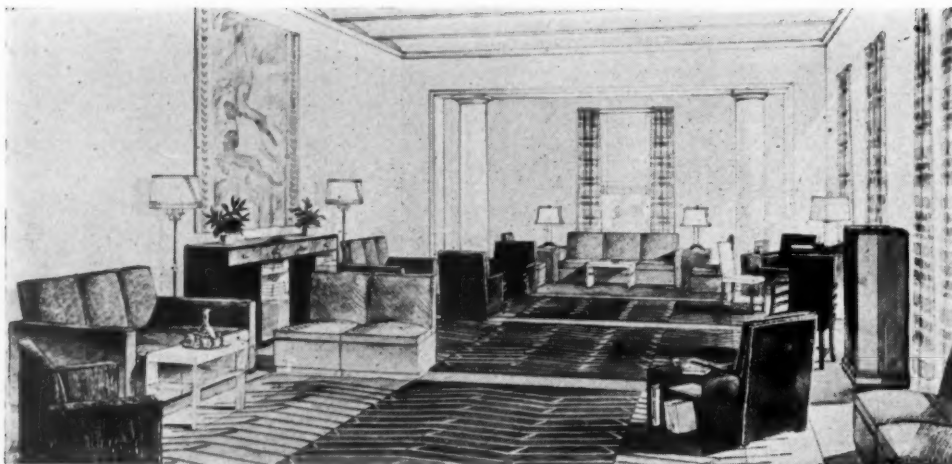
17



The Philadelphia Inquirer

Pennsylvania's Greatest Morning Newspaper

NEW YORK, H. A. McCandless BOSTON, M. L. Tyler SAN FRANCISCO, Keene Fitzpatrick
CHICAGO, DETROIT, ST. LOUIS, Guy S. Osborn, Scolaro and Meeker, Incorporated



Mail Order Maharaja: Above is one of four rooms whose furnishings were ordered by the Maharaja of Nepal, inaccessible independent kingdom on India's northern border, from Montgomery Ward, in Chicago. His Highness is fabulously rich, but he paid the regular prices. Freight costs, however, were high for the 10,000 mile journey, part of it by muleback on the world's longest rope bridges over Nepal canyons.

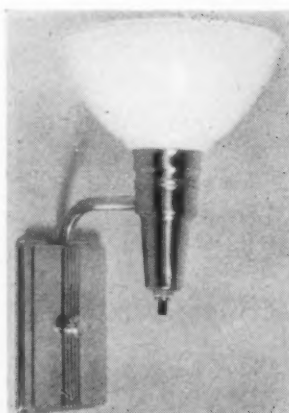
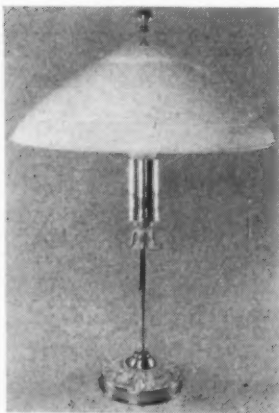
Designing to Sell



Quick Work: (Above) Metal Textile Corp.'s shipping case for Chore Girl kitchen cleaning pads can be set up as a floor display in a few minutes' time by simply opening and taking out the inserted price card. Carton is by Gair.

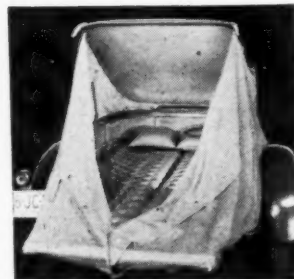


Four-Duty Package: (Left) General Foods' latest Post Toasties box has a minimum of copy on front and ends. The back has Mickey Mouse cut-outs; a free-prize offer is on one edge, tied up with PT's G-Man, Melvin Purvis; finally the remaining edge pictures and describes other Post cereals.



Beetleware Bowls: (Above) Electrical fixtures of Beetleware, it is claimed, have several advantages: Diffusing bowls and reflectors are shatterproof, light in weight, reflect rays without glare. Chase Brass and Copper Co. is offering the fixtures illustrated for homes and offices. Bryant Electric Co. has been the first to mould Beetleware to this new use. Beetleware division of American Cyanamid Co. foresees a huge fresh field opened as the plastic invades the electrical industry.

Roll and Go: Below is the Mullins Mfg. Co.'s all-steel trailer as it is moving along. Inside there's room for a whole family's luggage, 1,200 pounds, in fact. At night it opens up, (at right), curtains are fastened for protection against dew and rain, and two people may sleep on the air mattresses and pillows. See page 382.



SALES MANAGEMENT

"In the News" means "In Demand"

AMERICAN HOME

To help you HOUSE keep

Lissa Norcross & Emily Herzog



"You'll sing at your work" is a time-worn phrase, but how cheery is a tea kettle that whistles when it is on duty. This new, attractive whistling tea kettle, designed by Lurelle Guild, is of bright aluminum with lustrous black heat-resisting BAKELITE molded handle and whistling fitment. There is no lid to bother with as kettle is easily filled through wide-mouthed spout.



and Home Magazines consider "Bakelite" News

SCAN the "New Idea" columns of home magazines and the woman's pages of newspapers, and you will be surprised at the frequency with which the name "BAKELITE" appears. It is conclusive evidence that editors everywhere recognize that the use of Bakelite Materials in a product give it a quality standing in the minds of their readers.

The news value of the word "Bakelite" is something well worth taking into consideration when designing new products or modernizing old ones. By using Bakelite Materials you will also obtain the practical

advantages of quality appearance, durability, lasting color and finish, heat and moisture resistance, and important production economies.

There are many varieties of Bakelite Materials and their range of usefulness is so wide that they may be applied to products in almost every industry.

To get a clearer picture of these materials and their manifold uses, write for copies of our illustrated, descriptive booklets 26M, "Bakelite Molded" and 26L, "Bakelite Laminated". You will find them most interesting and helpful.



Wear-Ever whistling kettle, designed by Lurelle Guild, with handle and whistling fitment of Bakelite Molded.

BAKELITE CORPORATION, 247 PARK AVENUE, NEW YORK, N.Y.
BAKELITE CORPORATION OF CANADA, LIMITED, 163 Dufferin Street, Toronto, Ontario, Canada

BAKELITE

The registered trade marks shown above distinguish materials manufactured by Bakelite Corporation. Under the capital "B" is the numerical sign for infinity, or unlimited quantity. It symbolizes the infinite number of present and future uses of Bakelite Corporation's products.

THE MATERIAL OF A THOUSAND USES

JUNE 15, 1936

[903]

Federation of Sales Executives Begins Its Active Career

(Continued from page 883)

tion which shall be their clearing house of experience.

"There are broad vistas of opportunity confronting the National Federation of Sales executives, opportunities which it alone can serve, that are opened up by a clear realization of the weight to be attached to the words in its title—*National Federation*. As for the remaining words, 'Sales Executives,' it seems to me there is one particular opportunity that should not be overlooked.

"If I may be pardoned the personal allusion, I speak from an experience which has comprehended more years of work as an advertising agent than as a sales manager; I speak as a sales manager who has never been without a consistent, continuing program of advertising; and I speak with a deep-rooted respect for the power of advertising to make money for the advertiser as well as to influence the thinking and actions of us all. But I go on to point out that in the way of associations, in the way of a national federation, advertising long ago did for itself what sales management is just beginning to accomplish; advertising men long ago did for themselves what sales managers are now beginning to do.

"There is no conflict between sales and advertising. Far from that—the function of advertising is to promote sales. However, if a man from Mars were to judge only by the existence of associations and federations, he would judge that the function of sales management was to promote advertising. There may be some firms in whose management advertising can be made absolutely coordinate with sales management, but they are few in number and special in nature. For management as a whole, for the great majority of American business, advertising to be true to itself should and must report to sales.

"It seems to me significant, therefore, that out of the 15 objectives listed in Article 11 of our Constitution and By-Laws, only one mentions advertising and that one says simply and understandingly only that we propose 'to study the sales and sales promotion value of advertising.'

"Because of what it is, the National Federation of Sales Executives has a tremendous opportunity to serve American sales executives and American business in unique and various ways. The need for it has been distinctly felt for a long time. No other organization can meet the need. The full range of opportunities can be tremendously enlarged as it grasps and develops those lying close at hand. Its leadership is capable and enthusiastic. It is 'rarin' to go.' But only the members can make it go. The opportunities of the National Federation of Sales Executives depend on its members, but they will get out of it far more than the average return on what they put into anything."

Pickus Voices Optimism

Morris I. Pickus, president of the Compass Sales Corp., then dwelt on "Making Salesmen Think." Among other things he said:

"Anything you can do to develop the faculty of critical observation on the part of your salesmen will pay you a hundred times over. It is hard to get a man to *think*, but if you can get him to *look*—get him to *see*—that's one method of making him *think*. Our experience with thousands of salesmen has shown us that they have eyes but they don't see enough.

"I firmly believe that the next five years will be the most prosperous in our history. I also believe just as firmly that in order for you to take advantage of this prosperity, you cannot allow your salesmen to sell as they did *twenty years ago*.

"The day of 'pdp' letters, or 'pop' letters, as I heard one executive call them, is gone. Slapping your boys on the back and saying, 'Go out and work boys,' went out of date in 1929—yet thousands of sales managers are handicapping their men by just such antiquated methods.

"There are very few good salesmen in America, and the reason that we have poor salesmen is because we have poor sales managers. I am now shock-proof to the laxity in sales training methods. The smug self-satisfaction and apathy on

the part of hundreds of sales managers has resulted in salesmanship today being the poorest paid profession instead of the highest paid—as many of our educational advisers would have you believe."

Sidney Carter, manager of the Merchants Bureau of Rice-Stix Dry Goods Co., concluded the morning session with a talk on "Selling in a Selfish Age," in the course of which he said:

"We are in a buyer's market. We are likely to be there for a long time to come. The sales executive who sees only the phases of distribution represented by the activities of his own company is seeing only half the picture and the lesser half at that. Every modern sales executive should have a library of books dealing with the *business of the customers* who represent his outlet, while his reading should include trade papers, containing information of primary interest to his customers. Salesmen should be schooled in the business of the *men they are to sell*.

"In our Merchants' Service Plan, we now have 2,000 merchants representing half our volume out of a total of 20,000 merchants on our books. The plan has proved an excellent stabilizer of accounts and it has been greatly responsible for an increase in purchases; more than sufficient to justify the cost.

"The basis for the Merchants' Service Plan is a monthly bulletin of nine sections: seven of these sections are 16 pages, self-cover; one, 16 pages and cover; and one, 32 pages and cover. They are uniform size, 5 1/4" by 7 1/4". They present a current review of retail activities, emphasizing merchandising, advertising, store promotion, window display and retail salesmanship.

"The outstanding principle in all our work is that we draw effective merchandising ideas from customers and relay them to other customers. The entire service, on the face of it, is patently unselfish. We do cash in on the service through the good-will developed and by increasing the flow of merchandise. Naturally, when our Merchants' Service Plan merchant sells more goods he buys more. This department has been in operation for ten years and has been operated on the present plan since September, 1932."

At the Friday luncheon, presided over by Mr. Bill, the special cooperating committee of the St. Louis group were introduced: Dave Hearsh, chairman; Charles E. Osterkamp, vice-chairman, and George Walker, member-at-

large. At the conclusion of the meal, which was lightened by musical entertainment, Frank Lovejoy, sales executive of Socony-Vacuum Oil Co., Inc., spoke on the "Fallacy of Wish Thinking in Merchandising," in the course of which he introduced many humorous anecdotes in his own inimitable style. He said in part:

"An inventor came to us with an invention for which he wanted \$100,000. He said it would make him and us a great deal of money.

"This inventor explained that most automobile accidents were due to the driver's falling asleep at the wheel. His invention would obviate this, he said, because the moment a driver nodded, it would pull a rope which would release a hammer which would hit him on the head. This is an example of wish thinking. An examination of the facts would show that most accidents are not caused by the driver's falling asleep.

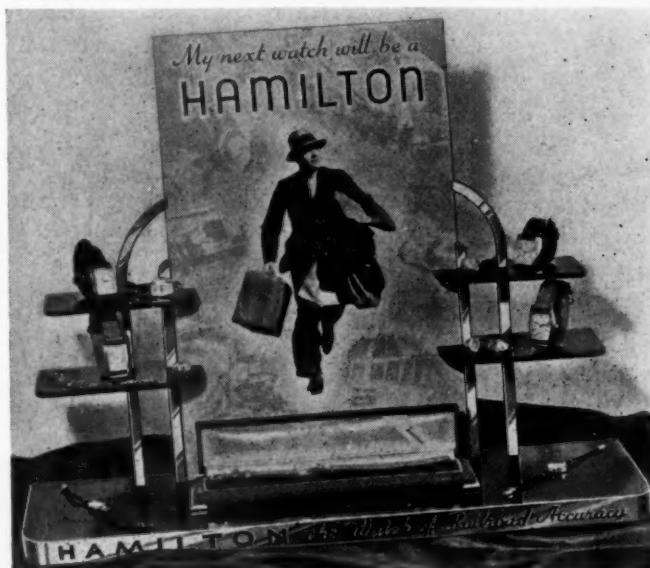
"Take the collar manufacturer. For years he suffered because he could not conceive the idea that the consumer would use anything other than a stiff collar, until he was forced to realize that a man was happier in a soft collar than he was in a stiff collar.

"Or consider bicycles. The manufacturers engaged in wish thoughts instead of fact thoughts for years. When they found out that youth was interested in bicycling, and then played up to them, the bicycle trade began to boom until to-day the sales are the greatest in the history of the industry.

"In the last five years cooperative associations have grown up. We have spent hours of time and oodles of money wishing that the cooperatives would go out of business instead of facing the fact that the cooperative is a sound economic means of reaching a group of people, and that as long as it serves an economic purpose it will exist. You can wish all you want, but you can never eliminate them.

"The American birth rate is declining, and in 40 or 50 years will be static. In 30 or 40 years you are going to have 35% of the population over 40 years of age. The demand for some products will decline. The demand for milk will decline, because of a lack of customers due to birth control. The quality of the American people is declining. These are facts. But we refuse to believe facts; we go on wish thinking."

Assistant Attorney General Brien McMahon concluded the luncheon program with a talk on "Crime—a 12 Billion Dollar Business." As the head of the prosecuting division of the United States Department of Justice, he presented many interesting facts not only with respect to the apprehension



Quality Implied: Hamilton Watch Co., seeking a store display combining timeliness, durability, and a distinguished appearance, believes it has been attained in this holder. The base and shelves are of "Synthane" laminated Bakelite. Supports and band around the base are chromium-plated brass. Intaglio lettering on the base band is unusually arresting. Cards in the holder may be changed to fit in with the company's advertising.

What's

HAPPENING IN INDUSTRY?

Modern, eager, unconventional, MILL & FACTORY has scooped the field repeatedly on leading industrial news stories . . . factual close-ups of valuable methods . . . illuminating insights how other men and other managements save money and coordinate activities.

It is this first-on-the-spot reporting and authoritative evaluation of the real news of manufacturing that makes executives justly regard MILL & FACTORY the leading magazine in its field.

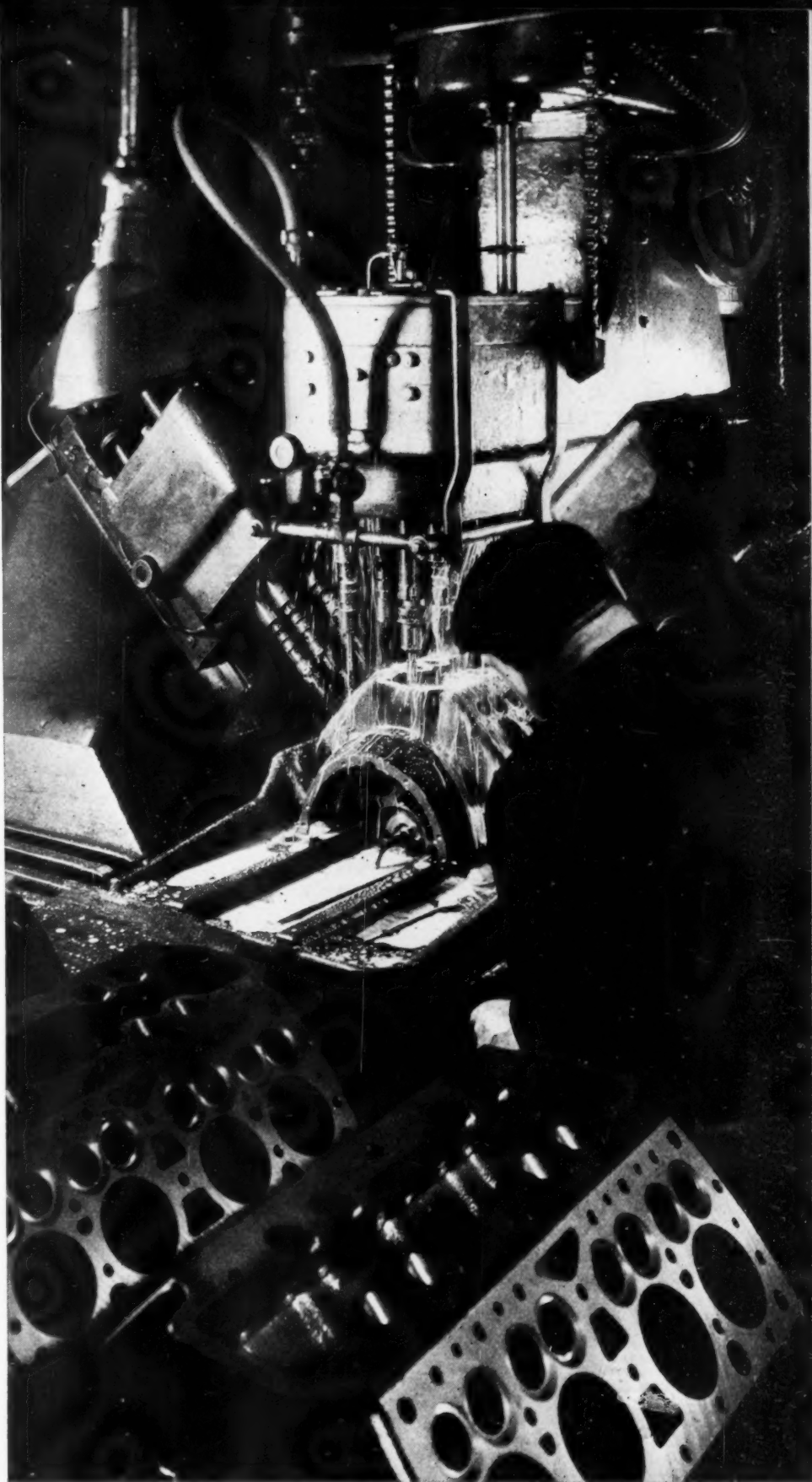
By the same token, men alert to what's new in methods are alert to what's new and better in machines, materials and supplies. MILL & FACTORY is the logical place for *your* industrial advertising message.

MILL & FACTORY

Advertising Offices:

NEW YORK: 205 E. 42nd St.

CHICAGO: 333 N. Michigan Ave.



MILL & FACTORY

A CONOVER-MAST PUBLICATION

Special Texas Market Issue July 15



Nearly two million tickets have been sold in advance for the Texas Centennial Exposition. Henry Ford predicted that they would have twelve million admissions before the year is out—and the advance sales indicate that his prediction will come true.

Because of the growing importance of Texas and the Southwest as a consumer market and as a producing territory, SALES MANAGEMENT will run in the July 15 issue a section on Texas and a specially designed Centennial cover. A. R. Hahn, managing editor, is spending the month of June in the state.

and prosecution of criminals and racketeers, but also with respect to the even greater problem of crime prevention. He explained that many of the rack-ets which affect legitimate sales of legitimate business are reachable only through local enforcement agencies and that in consequence great responsibility rests on each individual citizen to work locally for higher perfection of local enforcement, for greater co-operation between local and national agencies, and particularly for the advancement of education along crime-prevention lines, especially as regards the youth of the nation.

At the afternoon session, presided over by W. V. (Smoke) Ballew, sales manager of the Dr. Pepper Co., and vice-chairman of the Federation, the first speaker, R. P. Page, Jr., president of the Autocar Co., spoke on the topic "Successful Operation of Branches." Some quotes:

"We turn over to our branch managers the entire responsibility for their branch operations to a degree which is perhaps greater than that which is permitted by any other chain system. We do not want them to be continually looking to headquarters for decisions. In fact, we discourage that attitude. We must have men who are capable of making decisions and of being right in them much more often than they are wrong.

"It is just as important in our opinion that contact should be maintained among the branch managers themselves as that the factory executives should establish individual contacts with each of them. The essential contacts running throughout all of our branches are constantly renewed by means of monthly meetings which some of the branch managers attend at Ardmore. They all do not come every month, but detailed minutes of each of those meetings are carefully prepared and mailed to those who were not present, so that each of them is kept constantly informed and, in the course of any year, all of them get to the factory several times. In addition, there are frequent visits to the branches themselves by those factory men who are in any degree responsible for branch operations, and all of the managers know that if any factory specialist is urgently needed at any branch, he will

immediately respond to any quick call for help.

"When sharp changes of policy arise with us, it is always my preference to let our branch managers decide, each one for himself, whether he should adopt the changes which were contemplated. . . . The manager who is in the position of running his own business and of having a personal voice in the policies involved therein, is, in my opinion, much more likely to produce good results over the long run than is the manager who is told what he must do, how he must do it and when he must do it."

Frank Coutant, president of the American Marketing Society and head of marketing research for Pedlar & Ryan, spoke next on "There's Profit in Real Marketing." He summarized his own talk as follows:

"To summarize the old and new ideas I have presented, these are my personal convictions:

"That lower prices for many manufactured products will bring them within the reach of more people who would gladly buy if they could, employing more workers in manufacture and thereby increasing our national purchasing power.

"That cuts in prices are desirable only when they pay a profit to manufacturers and sellers of goods.

"That savings made where inefficient selling exists will help materially toward lower prices and ultimate profits.

"That science in marketing has been sadly neglected in comparison with the use of science in production.

"That the $\frac{1}{2}$ of 1% of manufacturers who now use scientific methods of marketing are not only social assets to the country, but are earning reasonable profits through their efficiency.

"On bringing science into marketing, only a start has been made. On marketing research, for example, about two or three millions a year are being spent, and about 500 full-time people are employed, and several thousand on a part-time basis. It is only a drop in the bucket, of course, compared with production research, but it shows that we are on our way to greater efficiency and better profits in marketing."

C. D. Garretson, president of the Electric Hose & Rubber Co., and vice-chairman of the Federation, talked on "Selling Made Hard in Easy Lessons." Among other things, he pointed out:

"Most of us merchandise our products to our salesmen. And then muss up the situation by

getting around to the old expedient of price cutting. Some particular piece of business looks good to you. You try straight selling, and you do not get it. The next thing you do is to say, 'I'll just cut the price 5% on this particular piece of business.'

"If you had just stopped at this particular piece of business, it would not be so bad. But you don't stop there. It is given to the next fellow and the next fellow and so on down the line. That is one of the things that makes selling hard.

"I do not know who invented this thing called reciprocity. He is Public Enemy No. 1. It was so easy for the first man to have gone in to the first purchasing agent and suggested that because of the fact that 'we give you so much business, you will give it to us.' It was an easy thing to get started, but its cost has been terrible. . . .

"If the first fellow who cooked up this reciprocity idea had just thought how it would spread, he would have realized that what he was really doing was working salesmen out of a job, for reciprocity carried to an extreme does not need salesmen. Purchasing agents can sit at their desks and get orders. They do not need salesmen if reciprocity prevails. If you figure on losing your jobs I would advise reciprocity."

Government Man Speaks

At the dinner Friday night, presided over by Saunders Norvell, general chairman, much excellent musical entertainment was supplied through the courtesy of the St. Louis group. When the meal was finished and cigars lighted, Chester McCall, special assistant to Secretary of Commerce Roper, delivered an impressive address entitled "Selling Policies and Procedures." This talk, which is commented on in the editorial page of this issue of SALES MANAGEMENT, covered in a comprehensive manner the current necessity for companies to sell not only their products but also the basic policies and procedures which go to make up their corporate individuality and character.

Richard Waldo, head of McClure's Syndicate and Editor of *News Behind the News*, concluded the evening program with an address on the subject of "Politics in Business." The highlights of his talk have already appeared in the daily press. In the course of his comments on a wide variety of topics, he said:

"There is but one first class power today—the United States of America. Long-headed Englishmen have backed their inside knowledge of that fact with enormous investments in our industries. The English-speaking world—including Canada, Australia and New Zealand—can use John Bull as a broker to sell the products of each to the rest of the world. There's a profit to be made by sales managers in foreseeing this development. Secretary of State Hull has done so.

"The William Green-John Lewis labor battle—foundation laying for a third party—may play a larger part in the campaign than you might think now. The resignation of a Supreme Court Justice is imminent. The prohibition question—because competition has stirred brewers and distillers to flout the laws—may break wide open at any time.

"Though business conditions are rated as generally good, I believe we have rebuilt our house on sand. The four years ahead—completing the ten-year cycle of this depression—will change many sales conditions, in my opinion. The Child Labor Law will be passed—perhaps strengthened to a higher age than 18. Old Age Security will be provided—probably for a lower age than 65. The Communist label on the 6-hour day is likely to be washed off. Fact finding and analysis by the Bureau of Labor Statistics—50 years old, but only recently made useful by the brilliant Isador Rubin—will shape many more plans. Sales managers who com-

bine personality, industry and continuous self-education will require all their assets to meet the shifting tides. Cooperatives will utterly change many tested formulas,—and perhaps offer entirely new opportunities for salesmen now unsuspected."

At the Saturday morning session, presided over by J. C. Aspley, president of the Dartnell Corporation and vice-president-at-large of the Federation, R. A. Riley, president of the Dallas Sales Managers Club, spoke on "Time and Customer Control"; John Zellers, vice-president of Remington-Rand, Inc., recently elected president of the Sales Executives Club of New York, spoke on "Where Do We Go From Here"; J. H. Carothers, president-elect of the Sales Managers Association of Los Angeles, discussed "Are We Professional Men—and Why?" and Carl Wollner, president of the Panther Oil & Grease Mfg. Co., and former president of the Fort Worth Sales Managers Club, described his thoughts with respect to "Running a Successful Sales Convention." The talks by Mr. Riley and Mr. Wollner are scheduled for publication in a future issue of SALES MANAGEMENT. In the course of his talk, Mr. Zellers said:

"Possibly you have noticed, as we have, that the young men who now come to us for jobs are more serious than they were in the twenties. They are willing to start in a small way—they are willing to learn and to apply themselves diligently to their work. They appreciate that it means something to have a job. We are under a great responsibility to those young men, for it is they who must carry on after we are gone. We owe it to them to be patient with them—to inform them—to train them in the best ways—to help them in every way we can to establish themselves upon a firm footing. Our products will change—they will improve and expand. New products will come into being. The habits of living will change. More of our people will be able to supply their wants for greater conveniences and comforts. It is the task of the coming generation to anticipate and to meet their needs. We should guide them in the ways which manifestly they will go and give them an opportunity to learn from our mistakes. Give them a break and help them to plant their feet firmly upon solid ground."

Look Into Your Own Firm

In the course of the discussion which he led, Mr. Carothers said in part:

"In the field of salesmanship, we often find that two common types predominate. There is the class who, like the rough carpenter, are poorly equipped in their line of endeavor. They lack the training to do a real selling job. Then there is the other class who have the training but lack the initiative to use the tools placed in their hands. Business today is being burdened not only with the problems of taxes, government regulations, expansion needs, and finances; but it is also carrying a tremendous handicap represented by these two types of salesmen. How often have you heard your salesmen say that business was lost because a competitor cut the price? Later, you find out that the business was lost, not through price-cutting, but because your competitor's salesman had used more tools and used them to better advantage."

"The very keenness of competition has created the positions we occupy as sales managers, and a great responsibility rests upon our shoulders to guide the thought and action of the salesmen who work under our direction. New ideas and methods must be developed by us to help our salesmen sell the prospect and keep him sold."

"For example, in the past, many of us have depended on the want-ad columns of newspapers for material to build our sales organizations. But some of us are now discovering that in our own manufacturing departments are young men

who have a thorough grounding in the fundamentals of the business—who have the proper sales psychology—and who are anxious to improve their position in life. These young men represent the finest source of supply for building a sales organization. I recommend to you that you look behind the scenes in your own company when you need new men."

Following the speakers' session, a business session of the Federation was held, at which all of the present officers and directors were reelected, except for a few changes which were made in the directorship, in accordance with the Constitutional provision that each Association Member elect or designate its own representative on the Board.

Officers of the Federation

Chairman, Saunders Norvell, chairman of the board, Ingersoll & Norvell. Vice-chairmen, W. V. Ballew, sales manager, Dr. Pepper Company, Dallas, Texas; C. D. Garretson, president, Electric Hose & Rubber Co., Wilmington, Del.; R. D. Keim, formerly vice-president, E. R. Squibb & Sons. President, Raymond Bill, editor, SALES MANAGEMENT Magazine, and president, National Conference of Business Paper Editors. Vice-presidents-at-large, J. C. Aspley, president, The Dartnell Corporation, Chicago, Ill.; Dr. Paul H. Nystrom, professor of marketing, Columbia University, New York; Kenneth Goode, former president, Sales Executives' Club, New York.

Regional vice-presidents: New England States—Harry R. Tosdal, professor of marketing, Harvard University, and former president, National Association of Marketing Teachers and of Sales Managers Club of Boston Chamber of Commerce. Middle Atlantic States—Allen Zoll, president, International Association of Sales Executives, New York. South Atlantic States—Arthur C. Port, president, American Society of Sales Executives, and vice-president, P. H. Hanes Knitting Company, Winston-Salem, N. C. Central States—P. O. Ferrel, vice-president, Real Silk Hosiery Mills, Indianapolis, Ind. Southwestern States—Carl Wollner, president, Panther Oil & Grease Mfg. Co., and former president, Fort Worth Sales Managers' Club, Fort Worth, Texas. Middle Western States—B. R. Welsh, president, Sales Managers' Association of Kansas City, Mo. Rocky Mountain States—Frank B. Koller, president, Utah Sales Managers' Association, Salt Lake City, Utah. Pacific Coast—L. C. Sorenson, former president, Los Angeles Sales Managers' Association.

Treasurer, Merrill Sands, vice-president and general sales manager, Dictaphone Corp., New York. Secretary, Bernard Lichtenberg, president, Institute of Public Relations.

Directors

H. W. Alexander, general sales manager, American Type Founders; M. J. Beirn, vice-president, American Radiator & Standard Sanitary Corporation; L. R. Boulware, vice-president and general manager, The Carrier Engineering Corporation; John A. Bumstead, chairman, the Sales Managers' Council of New Orleans; Early R. Cass, chairman, Tulsa Sales Managers' Club; W. J. Cobb, vice-president, Melville Shoe Corporation; Alvin Dodd, president of the American Management Association; H. N. Fisch, president, the Fort Worth Sales Managers' Club; Alfred C. Fuller, president, Fuller Brush Company; Wesley A.



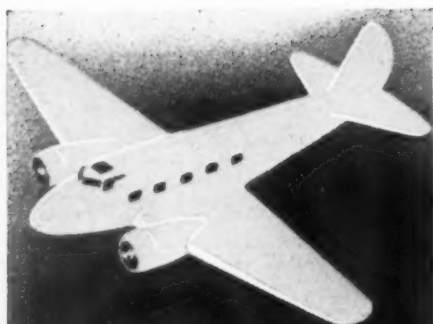
Upsee-daisy

Employment in the Newark (N. J.) area is up over last year; industrial payrolls are 20% higher; wages are higher, too. Essex County automobile registrations and new car sales are up; so is the stock market, the nation's beer bill, and taxes. Building is going up (*pardon us*)—and real estate sales and retail business. Turnstiles at sporting events are burning up. May was the eighth consecutive month Newark Evening News circulation was up—144,379 actual reader paid first five months of this year—7,760 more than 1935. Of course, that couldn't be the reason our lineage is up. The best way to catch the "up" of this market is to "up" your advertising in its top medium. (P.S.) Rates are *not* up.

Newark Evening News

NEWARK, NEW JERSEY

O'MARA & ORMSBEE, INC., General Advertising Representatives, New York, Chicago, Detroit, Boston, San Francisco, Los Angeles



UNITED AIR LINES'

"Main Line"

**SHORT! FAST!
DIRECT!**
to the Pacific Coast

LOS ANGELES-SAN FRANCISCO
3 FAST FLIGHTS DAILY—
Overnight, "Breakfast-
to-Midnight" and Scenic
Daylight Flights from the
East. Visit both Los An-
geles and San Francisco
at same fare.

PORTLAND-SEATTLE
THROUGH-SERVICE FROM
THE EAST! Overnight and
Scenic Daylight Flights.
The popular pioneer
route. Visit Spokane,
Seattle, Tacoma, Port-
land, Vancouver, B. C.—
all at no extra fare.

NEW! "WONDER AIR TOURS"
YELLOWSTONE-BOULDER DAM
GRAND CANYON

Ask about stop-overs for
flights to and over these
and other scenic won-
derland enroute to or
from California.

★ *United also offers 6 time and money
saving circle trips to Pacific Coast
cities. There is no "back haul" visit-
ing Pacific Coast points via United.*

CHICAGO-NEW YORK SERVICE

★ Short route. 10 fast flights daily.
4 1/4 hrs. Visit Washington and
New York at same fare!

For Tickets, Reservations—United Air Lines
Ticket Offices, Travel Bureaus, Telegraph Offices

UNITED AIR LINES

[910]

Gilman, president, Sales Managers' Association of Philadelphia; E. M. Grable, vice-president, The Aluminum Cooking Utensil Company; J. W. Johnson, president, Sales Managers' Club of New York; Edgar Kobak, chairman of the board, Advertising Federation of America; Ray U. Muffley, president, Seattle Sales Managers' Club; J. E. O'Leary, president, Pittsburgh Sales Managers' Club; T. K. Quinn, president, Maxon, Inc.; R. A. Riley, president, Dallas Sales Managers' Club; J. S. Shaw, vice-president, Brown & Bigelow, former president, St. Paul Sales Managers' Club; Frank M. Surface, former president, American Marketing Society, and in charge of Sales Research, Standard Oil of New Jersey; Harry J. Taillie, chairman, Rochester Sales Managers' Club; Alan E. Turner, vice-president, Van Sant, Dugdale & Company, Inc.; W. W. Wachtel, vice-president, Loose-Wiles Biscuit Company; H. G. Weaver, director of customer research staff, General Motors Corporation; R. A. Whidden, president, Bauer & Black; Fred Williams, president, Cannon Mills, Inc.; E. A. Williford, manager, Carbon Sales Division, National Carbon Company; John A. Zellers, president, Sales Executives Club of New York; Joseph Zipf, president, Sales Managers' Bureau of the St. Louis Chamber of Commerce; Ray T. Crowell, president, Cleveland Sales Managers' Club.

Resolutions Adopted

At the same session resolutions were adopted covering the following decisions: To hold a semi-annual meeting in New York City the latter part of November. To hold the next annual meeting in Chicago in the Spring of 1937. To terminate Charter membership for individuals, hereafter individuals to be enrolled only as Executive Members on the basis of annual dues of \$5. To continue Association Membership on the Charter basis at the discretion of the Executive committee. To issue a Federation bulletin.

To ask each Association Member to appoint a special Federation Committee to act as a liaison with national headquarters. To request each Association Member to prepare one report on a subject of interest to their own members and to sales executives at large, this report to be cleared to all other Association Members and to the individual members of the Federation. To establish a library relating to speeches and speakers appearing before the different clubs and associations and to make copies of all speeches available insofar as practical.

To develop reciprocal privileges, insofar as practical, between the different members of the different associations and clubs belonging to the Federation. To develop specialized committee activities under the various headings set forth in the constitution as the specific objectives of the Federation. To prepare and issue membership cards. To foster sectional meetings in cooperation with the Federation.

**Two-thirds of Outdoor
Advertising Recalled
in Consumer Test**

To what extent do average Michigan people read outdoor advertising, recall it afterward, and most important of all, respond to it with action? Walker & Co., of Detroit, believes it has a good answer. It got the answer by a personal survey in Detroit, Flint, Saginaw and Grand Rapids, cities which contain 41% of Michigan's population, made for it by a nationally prominent statistical organization.

Of the 1,177 men and 594 women interviewed, 99% said they read outdoor advertising (80% of them remembered seeing at least one outdoor advertisement daily, 77% of them several such advertisements); three out of four of them could accurately describe outdoor advertisements they had seen; 79% of them said they had bought, within 60 days of the interview, one or more products they definitely associated with outdoor advertising; 31% of the purchases were of products of direct interest to women.

A total of 5,751 impressions were voluntarily recalled by 92% of the people interviewed, who averaged three and one-half recalls each. And out of this whole number, there were mentions of exactly 67% of all outdoor advertisers active in the four cities at the time of the survey. Nine per cent of the recalls were of outdoor advertisements that had not been on the panels for a year; 21% mentioned other non-active advertisers, thus providing some measure of poster life. Only 3% per cent of the total number of advertisers recalled had never used outdoor advertising in the four cities. Approximately 37% of the people said they customarily read posters "all over town," indicating considerable local travel, while 63% recalled seeing posters in certain districts which they frequent.

The survey indicated plainly that pictures are the most memorable factor of outdoor advertisements, with slogans and copy, color, and lighting effects following in that order.

In order that the 1,771 interviews be made in places that would fairly reflect people's memory of outdoor advertising, 655 were in stores, 425 in homes, 372 on the street, 196 in offices and 24 in street cars. The persons interviewed were fairly representative of all income classes, 14% rating over \$5,000 a year; 63%, \$2,000-\$5,000; and 23% under \$2,000. They were from 68 occupational groups.

SALES MANAGEMENT



SALES LETTERS

BY MAXWELL DROKE

Why Scratch for Trick Starts? Simplicity Is Just as Good

It is surprising to what lengths we will go in our search for a new, sensational or "clever" opening paragraph for a sales letter, when, in all probability, a simple direct statement of our case—or an intriguing question—would be far more effective.

I was reminded of this truth anew when I recently ran across a letter used this Spring by the Expello Corp. Certainly there isn't anything very striking about this presentation. But put yourself in the position of a store executive and see if that



Maxwell Droke

first paragraph wouldn't hold your attention. I am not at all surprised to learn that this letter is bringing a 5% favorable response—an uncommonly good showing in a keenly competitive field, and to a type of prospect that is flooded with mail solicitations:

"If we paid the salary of a demonstrator in your store for a period of at least several weeks,

would you be interested in featuring and promoting the Expello line?

"The leading department stores in the United States use our demonstrators. They have found it to their advantage to promote Expello, because it is a quality line, selling to the better class of trade, and showing a 45% mark-up, which is well maintained.

"Consumers want to buy Expello because it kills the moth worm that does all the damage. And stores like to feature it because they get turnover on Expello, and they do not have to add it to department markdowns. So, we almost insure your profit, and then we go out of our way to help you to sell.

"Some stores prefer one of our other promotion plans, such as cooperative advertising, or a sales bonus for their clerks. We endeavor to work out a promotion plan which will meet the requirements of the individual store.

"Your attention is invited to the attached broadside illustrating our various numbers. . . .

"Please note particularly that good-size space is going to be used on the Expello line during April, May and June in *Good Housekeeping*, *Ladies' Home Journal* and *Woman's Home Companion*, totaling 22,000,000 separate advertisements.

"If you are interested further in our promotion plan, just put your O. K. on this letter and return it to us. We will then outline for your consideration a definite promotion plan for your store, without any obligation on your part."

But Don't Forget a Humorous Quirk Has Its Advantages, Too

I wonder why we are so afraid of humor. It is a well-known fact that an appeal in lighter vein will often get results where the conventional approach is ignored.

I am cheered to observe that the John Hancock Life Insurance Co. is now using a humorous form to glean prospect names. This is admittedly a tough assignment. The Hancock form is a four-page leaflet. The cover portrays a disconsolate, rain-soaked man, sitting forlornly on the curb. The caption: "What? No Friends!"

The inside copy: "Of course you have friends—and you are interested in their financial welfare because it has such an important bearing on their happiness. . . .

"You can easily think of one or two friends or relatives who may not have given the benefits of life insurance as much consideration as they deserve. Let us try to help them. . . ."

The third page is a form, headed: "Sure I got Friends . . ." with space for the listing of several names and addresses. The policyholder may check either of two squares: (a) Use my name; (b) Don't you dare to use my name!

I'm willing to wager that this little form will break all previous records, in getting the cooperation of present policyholders.

Take a Tip from Veteran Mail-Order Drug Products Men

If you are interested in smart direct-mail merchandising, you should make it a practice to read regularly the sales letters and promotion literature of some of the leading and old-established mail-order operators in the proprietary and allied lines. You may think that you have nothing in common with these chaps, but the chances are that you can learn lessons from them that will stand you in good stead. In these times, you cannot operate continuously by mail without a pretty sound background knowledge of human beings and how they act and react.

Picking up at random the offerings of two operators in this field, I find this in a letter used by The Electro-Thermal Co.:

"It is everything you claim for it and then some. I shall always be a booster for your Method," writes Mr. B. C. Leake from Miami, Florida. You may read Mr. Leake's letter on page six of the enclosed

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

booklet. . . ."

Here is a first-class example of the well-known mail-order technique of getting the prospect into the booklet. The mail-order man knows that he cannot hope to tell his involved story completely in a letter. He rarely tries to make the letter sell the proposition. The primary mission of the letter is to "sell" the accompanying book. Time and again it will refer the prospect to specific pages in the book, where more detailed information is available. Thus, when the prospect finally gets to the book, he is conditioned to the belief that it is a work of unusual interest and value.

The other letter is from the Dermolav Laboratories, who market the Dermolav Method, for scalp and hair troubles. Here's the psychology they use to inspire confidence:

"If you have plenty of money and wish to satisfy your mind concerning the correctness of statements in the foregoing paragraph, go get an examination and advice from an authority—the Chief Dermatologist, Vanderbilt Clinic, New York, or the Professor of Hygiene, Woman's Medical College, New York. Or, if you contemplate a trip abroad, visit the University of Berlin, where Professor Unna discovered the 'Flaschenbacilli,' the germ that causes a most destructive type of dandruff. . . .

"It may cost you considerable for such an examination and advice, but whatever the cost, it may be worth it to you to be convinced. You might then write and say that you have decided to order the Dermolav Method, as you will then know that our chemists who discovered this basic principle of removing a chief cause of scalp troubles, abnormal hair deficiency and baldness . . . are not barbers, hairdressers or operators in some so-called 'hair-experts' emporium."

I know nothing as to the efficacy of the Dermolav Method, but their psychology at least would seem to be rather sound.

New Word Wanted for Adv.—Preferably Beginning With Z

Some unknown genius, reported in a recent bulletin of the Direct Mail Advertising Association, suggests that what we really need is a new word for Advertising—a word beginning, preferably, with a Z. Much of our trouble, he declares, may be traced directly to the fact that Advertising begins with an A. Here's why:

When yearly budgets are made up and presented to dignified boards of directors, Advertising comes right up at the top of the list. The directors meet in solemn session, and with sharpened pencils, all prepared to trim the budget to the bone. Naturally, they start with the A's, and Advertising is the first victim. By the time they get down to H or Q, it is time for lunch, and by the time lunch is over they are all worn out. The rest of the budget doesn't get much attention. So let's get advertising down to Z, so that the advertising managers will stand a better chance!

AKRON TRADE Continues

INCREASE

Reports for May, 1936, show an all-time high for automobile sales—an increase in building permits.

10,041 new and used cars were sold at estimated value of \$3,485,850.00

Building permits exceeded previous month by 87. Total permits from January 1 to May 31, 1936, amount to \$931,609.00.

For complete economical coverage of this active free-spending market, use the

AKRON BEACON JOURNAL

Member A.B.C.—A.N.P.A.—Major Market Newspapers, Inc.

Represented by Story, Brooks & Finley

Maybe your business needs a REAL Advertising Manager

... to head your advertising department, contact your agency, create sound ideas for the advancement of the business and carry them through to success.

He would bring you a rich experience of 25 years in newspaper and agency work.

He has created some of America's most productive advertising themes for national advertisers. He is considered an ace copywriter, with that sixth sense known as sales-instinct.

His personality is agreeable and he has the faculty of getting others cheerfully to produce their best—in ideas, copy, and merchandising. As liaison between advertiser and agent, he would have few equals.

He has valid reasons for insisting that the advertiser should be in Philadelphia, though that may limit the field. His figure is \$15,000, although he has earned more in agency work.

Knowing agencies intimately he now wishes to work on the other side of the desk. Write me about this man.

**Managing Editor
SALES MANAGEMENT
420 Lexington Avenue, New York**

[912]



MEDIA AND AGENCIES

Progressive Paper Gets Its Publishing Sea Legs—What's Happening to Ad Men and Media

People's Paper

Although the betting odds at the moment indicate that Mr. Roosevelt will be reelected in November, he has strong and numerous opposition from two sides. One group—the Rights—are against him for what he has tried to do; the other—the Lefts—are against him largely because he has failed in what they think he should have done.

The Administration has some journalistic support. The Rights probably have even more. The Lefts—the Progressives, as Frank LaVerne Palmer calls them—have hardly any at all. There are hundreds of labor papers, scores of liberal or radical papers, devoted in one way or another to a new order of things. But their combined circulation is not a fraction of that of the conservative papers, and their combined weight is even less.

Mr. Palmer regards as conservative all papers, however liberal they may profess to be, which would keep the private profit, private enterprise system. He regards as progressive those which would change it. In this distinction, none of the national papers in the latter group has more circulation than that of many newspapers in medium-sized cities.

Oscar Ameringer's *American Guardian*, for example, has about 55,000. The *Nation* has about 35,000 (after all these years), the *New Republic* and the *New Masses* and LaFollette's *Progressive* a bit less, and the *Daily Worker* a bit more. A single press of the *New York Daily News* could turn out all of them in an hour.

Tabloid Technique, Human Issues

Mr. Palmer reads these papers and gets food for thought from them, but when he started the *People's Press*, last November 2, he tackled what he thought was a broader and more important problem. These other journals, he thought, were "too political." He intended to adopt *Daily News* technique to "human issues." And although he intended to crusade and to expose, he wanted to be constructive. He wanted to build a broad basis of ideas and of action on which to construct a new economic and social order.

If he has not accomplished this, in seven months, he has at least gained a greater circulation than any other publication in this field, and has won considerable reader interest and loyalty.

People's Press, published at Chicago, now has one national, seven regional and two "organizational" editions each weekly issue. The paper, in tabloid form with plenty of pictures and black and blatant banners, runs 12 pages. From one to four pages are replated each issue for the regional and "specialized" editions. Specialized editors and reporters provide this material.

Of the present total circulation of 60,000; about 50,000 is "organizational." There are separate editions now for the United Electrical & Radio Workers, who have 25,000 subscribers, and for the Food Workers, who have 9,000. *People's Press* also is official organ of quarry and steel workers' unions, and for certain locals of the painters and paint makers, machinists and garment workers.

The regional editions are for New York, Chicago, Baltimore, Pittsburgh, Cleveland, Vermont and Trenton. Largest circulation at present is in Philadelphia, with New York second. Total circulation has risen monthly, Mr. Palmer said, and with other large unions ready to adopt it, he is beginning to think and talk in terms of six and even seven figures.

Readers Who Spend and Consume

He is also beginning to approach advertisers. The progressive market, he thinks, is worth considering. Average income of the readers of *People's Press* is perhaps \$35 to \$50 a week, and 90% of them are employed. And whereas higher income people are more inclined to save and invest, working people spend and consume. Mr. Palmer will have more detailed figures for advertisers and space buyers soon.

Meanwhile, he is convinced that advertisers will not be permitted to run his show. He has no objection to any product, except those which "technicians" regard as impure or otherwise unhealthy or unsafe. His advice, in this connection, will come from Consumers' Union. He is secretary of that body, and Arthur Kallet, executive head of the Union, is editor of a page in *People's Press* headed "Guinea Pigs Go to Market." Although Mr. Palmer does not smoke or drink himself, he has no objection to carrying tobacco or liquor advertising. His is a "union" paper, but the products advertised need not be union-made, unless the advertiser and his workers are at odds over that issue. "Union-made," he said, "will not be an advertising issue until the workers make it such."

However, he is concerned primarily not with developing a profitable advertising medium, but a national newspaper which speaks and fights for the people.

The late E. W. Scripps is, in a sense, his ideal. He was pleased when he discovered the coincidence that his newspaper was started on the same day, November 2 (although a half century later) that Scripps launched his *Penny Press* in Cleveland. He is following the editorial and publishing policies of "Lusty" Scripps.

Palmer has been, of necessity, a worker himself. His father, a railway freight conductor, was a "victim of industrial progress"—was killed when airbrakes were introduced. Palmer went to work, at 13, in a wire mill at Binghamton, N. Y.

SALES MANAGEMENT

He worked at various things, then entered newspaper work on a country weekly in Colorado. He joined Scripps-Howard in Denver, but found it not "left" enough for him, and became editor of the Colorado Labor Advocate. In spite of its militance, that paper carried advertising and was not unprofitable. (It paid 6% dividends for nine of its first ten years.) He fought the Rockefeller interests in the coal miners' strike of Colorado Fuel & Iron Co., in 1927, which resulted in eight fatalities. Then he left newspaper work to do a book on the labor "spy system" of United States Steel Corp., as he found it in the Mesabi Range in Minnesota. After a year or so in Chicago, on several newspapers, particularly the new tabloid *Times*, he joined Federated Press, labor news service, as eastern editor. He is not ashamed of the fact that he played the commodity markets, on the rising Roosevelt tide of 1933, to get some of the money with which to start his newspaper.

Resources were limited, however, and the beginnings were not auspicious. Newsstand distribution gave it only about 18,000 circulation at the end of the first month or so. Then Mr. Palmer and his associates began to sell the idea to the unions.

At about the same time they began a series of exposés which made *People's Press* talked about and even reckoned with. The most notable was the revelation (a month before anything was said on the subject by general newspapers) that several hundred tunnel workers at Gauley Bridge, West Virginia, were dead or dying of silicosis because of the alleged failure of the company to provide for the situation. Representative Marcantonio of New York started an investigation in Congress, which approved Palmer's charges.

Opinion-Swaying Scoops

Then *People's Press* told of a "mystery malady" that was killing babies in five New York hospitals, because the hospitals, knowing nothing of the cause, it was said, would not stand the expense of closing down their maternity wards. The newspaper claims to have defeated an attempt of Mellon interests to retain a Pittsburgh traction franchise against an expression by the city's voters. With all nine of Pittsburgh's Council in favor of the Mellon deal, it was said, an exposé by *People's Press* resulted in a vote of five to four against it.

The story which advertisers may remember best was the publication of New York City's "blacklist" of drug products. The city officials do not know how it leaked out.

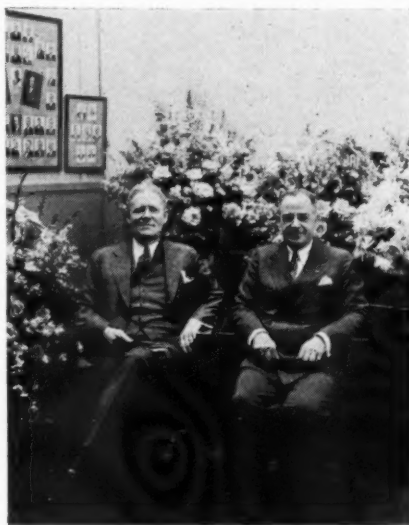
Nearly every great newspaper publisher, Mr. Palmer said, started out as a liberal, but ended by being a conservative. He believes—earnestly—that he will be an exception. He may not be a great publisher, but at least he is sure that he will never be a conservative. There is need for a strong, national liberal newspaper, he said, and *People's Press* intends to meet it. Advertisers may help provide the funds for it—with some profit to themselves—but their money will not grant them immunity to its attacks, if their products are dishonest or their business policies anti-social.

Birth of a New Medium

Dealer Advertising, a new semi-annual medium, will make its bow in September. It is designed to create more "tie-in" advertising in newspapers. Heretofore man-

ufacturers have either sent mats or type illustrations to dealers with the hope that they would be used locally, or a few more enterprising ones sent an array of ads to local newspapers with the suggestion that a solicitor go out and corral some retailers who would pay the freight.

Now comes this book which will be distributed to all newspapers in cities of 25,000 or less and illustrating dealer newspaper advertising mat and cut services available to local dealers. It is believed by the publishers that local newspaper solicitors will see the opportunity to increase their volume greatly. *Dealer Advertising* is published by the Fox Publishing Co., 350 Madison Ave., New York.



Horace Reed, president, at right, and Hugh Monro, founders of the Niagara Lithograph Company, which celebrated its 40th anniversary on May 22. Of the original nine members, four are still active in the organization.

Newspapers

Both Douglas B. Houser, vice-president and advertising director of the St. Louis *Globe-Democrat*, and George M. Burbach, advertising manager of the St. Louis *Post-Dispatch*, have received hundreds of letters and telegrams from advertisers and their agencies praising the abolition of the rate differential between retail and general advertising, effective June 1. Whether or not the move of these papers and the Janesville (Wisc.) *Gazette* will result in a definite trend will probably depend largely upon the lineage records of these newspapers in the months to come. Will advertisers say it with flowers—or with space contracts?

Advertising men who are thinking of taking a trip to the Pacific Northwest should ask Tom Turner or Ralph Dyar of the Spokane *Chronicle* for a copy of their Golden Jubilee edition dated May 23. It is a beautiful guide book to the Wonderland of the Pacific Northwest.

The dedication of the General Motors' new \$2,500,000 assembly plant in Los Angeles inspired the Los Angeles *Examiner* to issue a 10-page special section which carried 14,000 lines of business.

On June 7 the New York *American* carried a 4-page advertising section for R. H. Macy & Co., in which the department store used swatches to illustrate the merchandise offered. Two and a half million swatches were pasted up, of which 1,000,000 was sheet swatches, or enough to make

GIVE MAGIC WINGS TO YOUR SHIPMENTS 2,500 Miles Overnight

Your shipments by NATION-WIDE Air Express move from border-to-border and coast-to-coast—2,500 miles overnight. The modern magic of Air Express melts miles into minutes.

ADVANTAGES OF NATION-WIDE AIR EXPRESS

- * Day and night service.
- * Prompt pick-up and special delivery at no extra charge—door-to-door.
- * Fast co-ordinated service between swift trains and planes.
- * Reaches 215 cities in the U. S. and Canada and 32 Latin American countries.
- * One organization—one responsibility.
- * Low, economical rates.

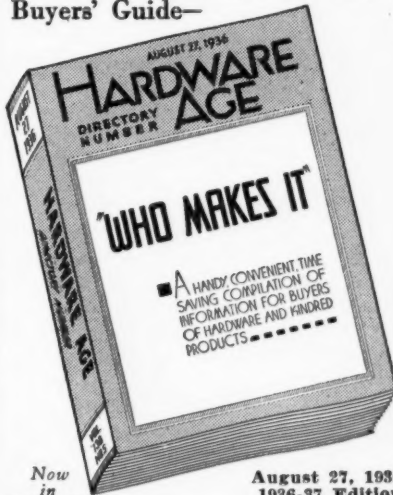
For prompt service or information telephone any Railway Express office.

AIR EXPRESS

DIVISION OF
RAILWAY EXPRESS AGENCY

When They're Looking for Merchandise Such as Yours

Be sure they'll find it in their
Buyers' Guide—



Now
in
Preparation

August 27, 1936
1936-37 Edition
will be published

This annual "Merchandise Directory Number" is the Standard Buyers' Guide of the hardware trade. Reserve your space now.

HARDWARE AGE
239 West 39th St. New York
A Chilton Publication
ABC—Charter Member—ABP

800 full-size sheets. There were 500,000 towel swatches, or enough to make 5,000 towels, and 1,000,000 shirt swatches, or enough to make 2,064 shirts.

Harold A. Lehair and John Cunningham have joined the national advertising staff of the *New York Times*.

The *Christian Science Monitor* on June 3 issued an A. F. A. special edition in celebration of the Advertising Federation of America's annual convention which will be held in Boston June 28 to July 2.

Magazines

The June 7 issue of *The American Weekly* was the largest in volume of lineage and revenue in the history of that publication. The last previous record issue was published on April 17, 1932.

The magazine, *Machinery*, believing that "well-equipped plants throughout the mechanical industry contain many new installations often yielding from 5 to 25 times the return from any other investment," is

conducting a "Modern Equipment Contest" offering \$500 in prizes for short articles about good examples of savings directly due to the installation of more modern plant equipment.

Good Housekeeping, effective with the March, 1937, issue, will increase its black-and-white page rate from \$6,000 to \$6,300 and rates on other space in proportion. The new rates are based on an average net paid circulation of \$2,100,000. The rate increase of 5% is in exact ratio to the increase of the magazine's circulation base.

The first issue of a new magazine, *The New York Woman*, will go on the newsstands September 9. William E. Wheeler is president and general manager; J. Wilfrid Megargee, vice-president and advertising manager; J. Mora Boyle, vice-president and publisher, and Alan A. Wells, promotion manager.

News-Week is now transmitting news pictures from its New York editorial offices to the Dayton, Ohio, printing plant by telephone wires. It is the first magazine to use the Wide World Wired Photos service in regular editorial routine of transmitting photographs.

If *True Story* is a criterion, there will be a less than normal seasonal slump in advertising this Summer. Taking the March lineage of that magazine—the highest in the year—as 100% the following tables indicate the improvement in 1936 as compared with the previous year.

	1936	1935
June	95.5%	88.1%
July	74.8	64.7
August	68.1 *	55.5

* Not complete.

Personnel announcements of the week include the appointment of Ralf Coykendall as business manager of *Stage* after ten years as advertising manager of *The Sportsman*.

William Hutton, recently Detroit manager of the Crowell Publishing Co., has joined the advertising staff of *Life*. . . . Miss Eleanor Welch, formerly with *Esquire* and the American Petroleum Industries Committee, has joined the Chicago editorial department of *Time* and *Fortune* magazines. . . . Miss Demetria Taylor leaves the staff of *Good Housekeeping* Institute to become head of the *McCall* Magazine Kitchen.

Radio

Columbia has purchased at New York's Park Avenue and 59th Street a plot covering 29,000 square feet, on which it will erect at some time in the future a new radio center.

The Federal Communications Commission has approved plans for the erection of an ultra-modern 640-foot antenna for station WJZ at Bound Brook, N. J. An application to increase WJZ's power from 50,000 to 500,000 watts is now pending before the Commission.

A trailer for NBC's recently published Summer story, to be issued soon, will give in detail the results of a survey made by Anderson, Nichols Associates showing that in 3,000,000 radio-equipped cars, people listen an average of 65 minutes a day.

Account Changes

Fletcher & Ellis, Inc., has been appointed by the following companies to handle their accounts: Pennsylvania Salt Mfg. Co.'s Specialties Division; Calcium Carbonate Co. of Chicago; and the Malleable Iron
(Continued on page 919)

if you sell to retail furniture executives,
advertise in

FURNITURE RECORD

Established 1900

if you sell to manufacturers of furniture
and allied lines, advertise in

FURNITURE MANUFACTURER

Established 1879

if you sell to department stores, advertise in

RETAIL LEDGER

and its HOME WARE section

if you sell to hotels, advertise in

HOTEL BULLETIN

Member ABC and ABP

Established 1900

all 4 are edited by the staff of

VINCENT EDWARDS & Co.

World's Largest Advertising Service Organization

342 Madison Avenue

New York City

TORONTO
MONTREAL
WINNIPEG
LONDON, Eng.

GIBBONS KNOWS CANADA

REGINA
CALGARY
EDMONTON
VANCOUVER

Confectionery Volume Up; Repeal Plays No Part

(Continued from page 898)

While the candy volume of the nation is back to "normal"—1935 having been the biggest year in history and first quarter of this year having run exactly 6.9% ahead of the same period in 1935—production costs continue to rise and price cannot keep up with the parade.

Annual production, which climbed from 1,533,000,000 pounds in 1925 to 1,741,000,000 in the previous peak year of 1929, dropped to a bottom of 1,398,000,000 in 1932. Then, in the Summer of 1933 came beer; and in December, hard liquor.

Immediately the total production of confectionery started upward, as heralded. Last year it reached 1,743,000,000 pounds. The 1930-34 average was 1,529,000,000 pounds, as compared with a 1925-29 average of only 1,504,000,000 pounds. Average price per pound also rose from \$1.63 in 1932 to \$1.98 last year. However, the depression-years' average price was only \$1.99—a long way below the \$2.84 average of 1927-29.

13.7 Pounds a Person in '35

Per capita consumption of confectionery in the nation, which averaged 12.5 pounds between 1927 and 1929, last year touched 13.7 pounds, according to the Department of Commerce. But this, candy men insist, had nothing to do with the return of beer, wines and liquors.

While the country is buying more low-priced candy, particularly bars of various kinds which represent about 35% of the total production, and "bulk confectionery other than chocolate," volume of which rose from 292,000,000 pounds in 1934 to 313,000,000 pounds last year, plain packaged goods also rose from 120,000,000 to more than 140,000,000 pounds. Fancy packages, the high priced end of the business, is barely able, in the midst of the general volume rise, to maintain its annual total of 14,000,000 pounds—hardly 1% of the industry's whole output.

The most noteworthy trend in candy distribution is the rise in the importance of the jobber. This factor in the business handled hardly 50% of the nation's candy before the depression. Last year the jobber total reached 59.6%. This naturally reduces the manufacturers' influence over prices and merchandising methods, yet they look to these as the bootstraps by which they hope to lift their industry to firmer footing.

JUNE 15, 1936



Actual Photographs* of Amelia C. Dernhardt } F.O.M.R.C.A. John P. Asquith }

A LOT of people are beginning to realize, (thanks to our "actual photograph" evidence) that market research is now a daily business tool in thousands of organizations.

They are comprehending the wisdom of knowing rather than guessing. But few stop to think that the very foundation of good research—as we do it—is a large trained staff of local field workers. Ready to go to work on a client's problem six hours after we get a go-ahead. In 1,000 cities if necessary.

Three thousand of them. Like Amelia above. Amelia C. Dernhardt, F.O.M.R.C.A. "Finder-outer, Market Research Corporation of America."

When you use us you temporarily add 3,000 skilled employees to your staff, paying only for the time you use. And these 3,000 can find enough trouble in a week to keep your permanent organization busy for six months correcting your marketing strategies.

* These really are the photographs of two of our 3,000 field workers, but not their true names.

HOW BIG COMPANIES
USE MARKET RESEARCH
TO INCREASE SALES

Series No. 2

This is the second of a new series of case histories, naming names and showing processes. It ought to give you ideas for your own business. Watch for these offers by series number. There will be more of them. Sent free when requested on your letterhead.

MARKET RESEARCH CORPORATION OF AMERICA

Formerly Percival White, Inc.,
and Arnold Research Service, Inc.

Rockefeller Center, New York
120 S. La Salle St., Chicago

**Prevents those wrong decisions, based on
faulty facts, which cost you time and money**

[915]

The Quota is the Basis of Your
Sales Success

Study This Helpful Book SALES QUOTAS

A Manual for Sales Managers
by PERCIVAL WHITE
Published by Harper & Brothers

This volume has been written to assist the sales manager in meeting the growing competition in business through the use of sales quotas.

It is the first complete statement of the underlying theory of various kinds of quotas, the use of market analysis, the application of scientific methods to quota setting, and the quota in operation and practice.

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Introduction:

Kinds of Quotas and Their Uses
Theory of Quota-Setting

The Market as a Quota Determinant:
Statistical Method and Forecasting
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The Company as a Quota Determinant:
Product and Company Analysis
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The Quota in Operation:
Dividing the Sales Quota
The Sales Force and the Quota
Incentives for the Sales Force
Installing the Quota System

An Example of Quota Practice:
Formulating a Quota for Cosmetics
Quota Plan for a Stove Company

The price has been reduced. It was formerly \$4.00. Now you get it with a year's subscription to **MARKET RESEARCH**, the monthly magazine, exclusive in its field, for only \$3.00, prepaid postage. (Offer good in the U. S. only.)

MARKET RESEARCH
Rockefeller Center, New York City

Send me a copy of Sales Quotas and a year's subscription to **MARKET RESEARCH**, both for \$3.00, postage prepaid. (Offer good in U. S. only.)

() Remittance enclosed () Bill me

Name

Address

Business Connection

[916]

Phenomenal New Car Sales Gains Point to Small Town Boom

(Continued from page 894)

banks, two theaters; grammar, junior, and high schools; a golf course, swimming pool, city park, gas, electricity, and water; a modern hospital, seven hotels, etc. Sayre is in Beckham County where there are no towns greater than 10,000 population. In 1934 there were 370 new car sales in this county, and 522 in 1935—an increase of 41.1%. Its per capita food store sales are \$104.8. The food store sales in Detroit (one of the first 13 largest cities in the country) are \$65.5. Sayre's per capita drug store sales are \$27.2, whereas the sales in Milwaukee (another of our largest cities) are \$14.1. [EDITOR'S NOTE: Per capita figures used by Mr. Pepin are derived by dividing retail sales by the population within the corporate limits of the city. Both small town and big city stores draw a considerable portion of their business from the surrounding trade territory].

Or take as another small-town example Montrose, Colo., with a population of 3,566. This town has two banks, three grade schools, a theater (daily shows), a golf course, swimming pool, public park, candy factory, creamery, two lumber yards, a brick plant, flour mill, etc. Its per capita food store sales are \$120.9; those of St. Louis in the same year, \$97.1. Drug store per capita sales in Montrose are \$21.6; Los Angeles, \$20.3. Montrose is in Montrose County. The county new car sales in 1934 totaled 150; in 1935 they increased 70, or 46.7%.

Small Towns Greatest Asset

One could go on and on, naming small town after small town—providing data that would open the eyes of even the seasoned merchandiser who knows that his nationally-advertised products are sold even in the smallest crossroad village. However, space does not permit us to continue listing these towns, so we'll let it suffice with one more.

Here is Princeton, Ill.—a town of 4,762. It has a weekly newspaper with the largest circulation of any weekly in the United States, an old-established, successful country club, two banks, a modern theatre, four schools, several parks, and a modern fireproof hotel. Its per capita food store retail sales are \$105.4. St. Louis' average

sales for the same year were \$97.1. Its per capita drug sales were \$13.3 as against New York City's \$11.2. New car sales in this county in 1934 were 537; in 1935 they totaled 1,089, representing a gain of 502, or 93.5%.

Those of us who live in large cities, who see nothing but concentration day in, day out, and look down from dizzy heights at myriads of people obviously representing high per capita spending power in retail sales, will do well to picture television while looking at some picture on the wall. Just imagine the 3,073 counties in these United States, of which more than 2,000 have no town greater than 10,000 population. People are living in these counties. As the figures shown here indicate, they are buying. The small towns are our greatest asset. They are an integral part of our great country—the backbone of the nation without which the city could not exist.

Zenith Asks All Makers to End Bribery in Radio

(Continued from page 881)

and their friendship. Nobody was holding the bag."

Mr. Herrmann told SM:

"Commander McDonald's letter from which I have quoted is only the opening gun of an intense educational campaign among dealers and their salesmen. We stand openly and squarely for a square deal for the radio customer.

"We shall not rest our offensive until it is safe for a prospect to walk into a radio store and to select the merchandise he requires without the fear that the salesman is influencing him toward something in which there is a hidden extra consideration which inevitably comes out of the customer's own pocket if he buys that particular product.

"From a strictly advertising point of view it is particularly important to remember that every penny hidden in 'spiffs,' PM's, secret rebates, etc., is diverted from the legitimate uses of advertising. The malignant influence of such policies is therefore exerted not only on the customer's pocketbook but on that of every single medium of fair and honest advertising.

"Radio, because of its very unsound business practices, almost committed suicide. Indications are that it is getting back on its feet and that it can enter a period of real prosperity. We do not want to see it slip back into chaos. We, for one company, intend to stick strictly to the letter of Rule 2. We want to end commercial bribery."

SALES MANAGEMENT

Marketing Flashes

(Continued from page 882)

Wildroot, Inc., of Buffalo, N. Y., H. R. Shehan, v.-p. and g.m. will represent the company in the A.N.A.

National Sugar Refining Co. of N. J. has also been elected to membership in the A.N.A. It will be represented by A. D. S. Palmer.

General Fireproofing Co., metal office equipment maker of Youngstown, Ohio, announces appointment of E. A. Purnell as v.p. in charge of sales. A. C. Adams, whom he succeeds, goes to Carnegie-Illinois Steel Co. as mgr. of sheet and strip sales. Other appointments are: Walter Bender, v.-p. in charge of operations; George R. Farrell, v.-p. in charge of purchases; L. B. McCarthy, general plant superintendent; A. J. Bell, g.s.m., furniture division; and D. W. McClure, g.s.m., contract division.

W. F. Arnold has been named g.s.m. of Underwood Elliott Fisher. He started his business career with the Dalton Adding Machine Co. in 1917. Since February of this year he has been asst. g.s.m. of UEF. At 38 he is one of the company's youngest major executives.

More Washers

Household washer and ironer shipments for the first four months of 1936 reached an all-time high, reports J. R. Bohnen, secretary of the American Washing Machine Manufacturers' Association.

Washers sold totaled 565,000 as compared to 483,000 for the same period last year—a 17% gain. Ironers shipped numbered 61,000, as against 43,000 for the first four months of 1935—a jump of 41.4%.

Dow-Vox

Dow, Jones & Co., financial news ticker operators and publishers of the *Wall Street Journal*, gives a voice to its news. Dow-Vox is the name of a system of loud-speakers being installed in New York brokerage and other offices that gives highlights on markets and news flashes. Teleregister Corp. supplies the equipment.

The "ticker tape with sound" is not intended to supplant present tickers; it supplements them. Subscribers may hear all the wired broadcasts or, by throwing a switch, hear only the most important. Volume can be raised or lowered at will.

Information on commodity prices, finance, politics, etc., is gathered by D. J. representatives in 113 cities all over the world, zipped into headquarters on Manhattan's Broad Street

and from there sent over the wire to Vox subscribers. At present available only in Gotham, the service may be extended to other cities.

Biological Beer

The Federal Trade Commission has issued a complaint against the Hoffman Beverage Co., Newark, for alleged disparagement of the products of competitors. The Commission takes exception to the following advertising claim:

"The vat-fresh taste of Hoffman bottled beer is due to the fact that Hoffman beer is not heat-treated after bottling. . . . You taste the difference at the first sip. The only unpasteurized bottled beer in America."

According to the complaint, labels on bottles containing Hoffman beer bear the statement that "Because of extraordinary biological control pasteurizing this beer is avoided. Thus its fine vat quality is fully retained."

The FTC claims that Hoffman's

statements imply that the beer sold by competitors is stale and inferior in quality, purity, and taste, and the Commission seems to set itself up as an expert beer-tasting organization when it adds that "such is not the case." Hoffman must answer the complaint by July 3.

SALES CONTESTS

Planning and Merchandising

Sample copy of our Merchandise Prize Catalog, and brochure, "Information on Sales Contest Operation," furnished to sales and advertising executives without charge.

SALES CONTESTS, INC.

10th Floor American Bldg., Dayton, O.


PHOTOSTATS

COMMERCE PHOTO-PRINT CORPORATION

1 WALL STREET

233 Broadway 56 Pine St.
80 Maiden Lane 33 W. 42nd St.
Dlgy 4-9135-6-7-8

Most Interesting
Hotel in CHICAGO



1700
ROOMS
WITH BATH
from \$2.50

HOME
OF THE
COLLEGE
INN

You Can Drive Your Car Right Into

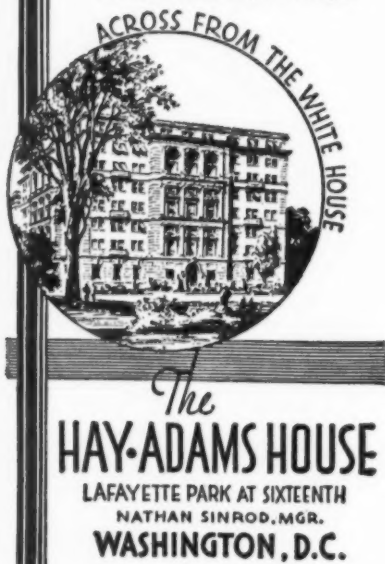
HOTEL SHERMAN

In Washington

The activities of politics, business and society are more colorful than ever before. You will enjoy Washington.

The best in accommodations, location and smart surroundings are available at this distinctive hotel. Write or wire for reservations.

Nathan Sinrod, Manager



CRAWFORD NOTCH within the shadow of MT. WASHINGTON WHITE MOUNTAINS NEW HAMPSHIRE

Discriminating people return each summer to the Crawford House at Crawford Notch, famous for its location, its clientele, its atmosphere and its service.

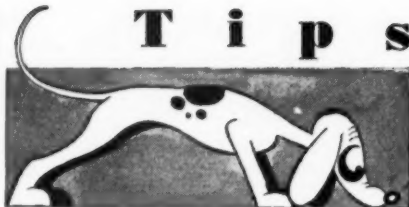
Rates include room and meals—as low as \$5.00 a day; with bath one person as low as \$7, two persons as low as \$12. Season July, Aug., Sept. Booklet and diagnosis of weekly and seasonal rates on request.

BARRON HOTEL CO.



CRAWFORD HOUSE
CRAWFORD NOTCH - NEW HAMPSHIRE

T i p s



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Farm Income by Counties Shown in *Farm Journal* Report

So varied are the sources of farm income in this country that no longer is it strictly accurate to classify farmers and farm income by major crops and location. Farmers in the Middle Atlantic States had an income twice the value of the nation's whole tobacco crop. The South made more money from milk, fruits, nuts, truck and cattle, than their 250 tobacco millions. The Central States' 200 million dollar wheat crop accounted for only 8% of their income. The Southwest made more money from cattle, wheat, milk, eggs and other crops than it did from cotton. Farmers in the Mountain States made 375 million dollars and the only thing they didn't grow was tobacco. Pacific Coast farmers made 700 million dollars in crops other than fruits. In amplification of these general facts, *Farm Journal* in publishing its annual circulation analysis has added three factors on income and retail sales so as to make the study valuable to salesmen and sales managers in determining where farm income is concentrated and where rural sales can be best made. For every county in the U. S., *Farm Journal* circulation, estimated 1935 cash farm income, retail outlets and retail sales are shown. A map is included showing by shading the counties in which farm income is above average.

When sending for this study, "*The Four Day Route to a Five Million Market*," we suggest that you also request copies of *Farm Journal's* recent brand preference surveys showing purchasing habits of farm families for food and drug products. Reference is made to these surveys in the study above, but for unusually complete details showing brand preferences by states, the surveys themselves are decidedly worth while to executives in the field covered. Requests to Graham Patterson, publisher, *Farm Journal*, Philadelphia, Pa.

P & G Day-time Radio Success Story Told by NBC

The success story of radio's largest network advertiser—NBC's largest customer—Procter & Gamble, is told this week in the pages of *Parade*. This large promotion piece is decidedly effective as an advocate for day-time and summer-time radio advertising, inasmuch as the P & G schedule has allotted 664 out of 778 program-hours to NBC day-time periods, and maintained the same average for the summer months as for the year's total. P & G—in case you haven't checked up on that company's program—has morning and afternoon programs running for Crisco, Chipso, Camay,

Oxydol, Ivory Flakes, every day in the week; and a 6:15 evening program thrice weekly for Ivory, designed to catch the masculine market as well as the rest of the family. Incidentally, this last program has resulted in a demand for 800,000 stamp albums and over 400,000,000 stamps, which entail the sending in of Ivory wrappers plus 5c, 10c or 20c cash per request. The day-time programs have been continuous for various periods ranging back to 1933. Copies of this story available on request to E. P. H. James, National Broadcasting Company, 30 Rockefeller Plaza, New York City.

Department Store Methods Used in New Prize Catalog

One of the most unusual and original ideas for prize contest catalogs, designed to increase the interest of salesmen and their families in the prizes available for making and beating quota, is that currently issued by the United Sales and Service Company of Chicago. It is based on the department store idea—the entire book of 52 pages, 11x14 inches in size, is arranged along department store lines, with departments for men's furnishings, leather goods, household appliances, party accessories, gifts, and all of sixteen different "floors" or departments, including groceries—the only such catalog we have seen which included prizes of assorted canned foodstuffs. Intriguing captions—"The only department store on earth where everything is free"—"It's fun, you don't have to pay"—will appeal to the women shoppers of every family. Space is provided for the company using this service to include its own shopping rules, and complete indexing of contents make shopping easy from cover to cover, even to the "shopping list" which is thoughtfully provided to help in establishing the salesman's goal. Executives using contests will find this service a definite help in enlisting the interest of the folks in each salesman's home. Copies of *Department Store Prize Book* sent on request to United Sales & Service Co., 252 West Adams St., Chicago, Ill.

Fine Points

Reduced advertising production costs is a subject about which much has been written and said—but according to a challenging booklet by Deane Uptegrove, little has been done. Mr. Uptegrove, art director of Richardson, Alley & Richards Co., advertising agents, goes a-gunning for the discrepancies in magazine page sizes, and as his remarks are aimed directly at the advertiser who foots the bills for assorted page (and smaller) size plates, a goodly number of the readers of this magazine should be interested in considering whether the last word has been said. Requests for "*How to Reduce Advertising Production Costs*," to the agency at 370 Lexington Ave., New York.

WHK (Cleveland) has published a folder showing the primary service area of this station, retail outlets in the area served, and condensed information about the station facilities. Requests to C. A. McLaughlin, Station WHK, Cleveland, Ohio.

Chicagoland is the title given by The Chicago Tribune to a handsomely compiled highway and general reference map of that area. Sales and advertising executives operating in that vicinity this Summer should find it valuable, and copies are available on request to the Business Survey Department of The Tribune, Chicago, Ill.

SALES MANAGEMENT

Media and Agencies

(Continued from page 914)

Range Co. . . . The accounts of Burton-Dixie Corp., Pratt Food Co., and the Fidelity Investment Association to the Chicago office of Frank Presbrey Co. . . . Ohio Hydrate & Supply Co. to the United States Advertising Corp. . . . Collins & Aikman Corp., upholstery manufacturers, to Arthur Kudner, Inc. . . . The Maltex Co., Inc., to J. M. Mathes, Inc. . . . Reading Railway System to The Richard A. Foley Advertising Agency, Inc., of Philadelphia. . . . Atlas Steel Construction Co. to O. S. Tyson & Co., Inc.

The Schwitzer-Cummins Co. to Mac-Manus, John & Adams, Inc., to handle their Stokol Stoker. . . . Waltham Watch Co. to H. B. Humphrey Co. . . . The American Hat Co. to Hirshon Garfield, Inc. to feature Trimble hats for men and "Futura" felts for women. . . . The City Brewing Corp. of Brooklyn, producers of "Tally-Ho" beer, to Austin & Rossiter Co. . . . The Frostilla Co. to The Aitkin-Kynett Co. . . . Boyle Leather Goods Co., Inc., to Wadsworth & Walker.

Agency Notes

John F. Price, formerly associated with the L. W. Ramsey Co. as vice-president in charge of their Chicago office, has joined the staff of Fletcher & Ellis, Inc., in the same city. . . . E. L. Baumbiller has been advanced from assistant space buyer to business space buyer of McCann-Erickson, Inc., to replace E. Jacobi. . . . William M. DeVitalis has become an executive of

Erwin, Wasey & Co., Inc., after having been general sales manager of Gordon Dry Gin Co. and before that associated with Macfadden Publications. . . . Stuart G. Arnold, recently director of research at Tracy-Locke-Dawson, Inc., has joined Churchill-Hall, Inc., as an account manager. . . . Walter C. Krause has resigned as vice-president and director of the Ralph H. Jones Co.

Texas Centennial Issues

Dallas Sunday papers on June 7 celebrated the opening of the Texas Centennial with huge issues, packed with advertising. Both Ford and Chrysler used 8-page sections in the *News* and *Times-Herald*. The lineage record for the day was as follows:

	<i>News</i>	<i>Times-Herald</i>
Retail	86,111	87,732

General	53,702	44,551
Auto	31,336	22,194
Financial	9,773	8,682
Class and Misc.	20,680	9,163

Total 201,602 173,322

The issues reflect not only the intense interest in the Centennial celebration but also the good market activity in Texas.

Correction, April 10 Issue SM

On page 600 of the April 10, 1936, issue, telephones in the California cities were incorrectly shown in terms of telephones per 1,000 population. The exact count of telephones in the five cities for which the American Telephone & Telegraph Co. has given us city breakdowns is: Long Beach 30,135; Los Angeles 341,221; Oakland 119,807; San Francisco 242,026; San Diego 36,285.

Personal Service and Supplies

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

EXECUTIVES WANTED

SALARIED POSITIONS, \$2,500 to \$26,000. This thoroughly organized advertising service of 26 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance for moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

HELP WANTED

ATTENTION ADVERTISING LEATHER GOODS AND PREMIUM SALESMEN

Meeker-Made advertising and premium leather goods is America's leading line today. Outstanding in design, quality and workmanship. Bill-folds, Travel-Kits, Desk Sets, Ladies' hand bags. Specialties and made-to-order items. Representatives in large industrial centers wanted. Write Joseph C. Hodges, Sales Manager, The Meeker Company, Inc., Joplin, Mo.

LINES WANTED

NORTH CENTRAL STATES DISTRIBUTION.

Capable, experienced sales producer wants line household appliances or specialties to sell jobbers in Wisconsin, Minnesota, North and South Dakota and Iowa. Thoroughly familiar with territory. Line must have volume possibilities and be produced by reputable, established manufacturer. Address Box 470, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

MAILING LISTS

50,000 Race Horse Fans. List is prepared from most reliable sources actively maintained and corrected daily. 100% postage refund. \$10.00 per 1,000 with 10% off for 10,000. J. S. Monty, Turf and Sport Books, 201 East 46th Street, New York, N. Y.

POSITION WANTED

YOUNG MAN, Age 30, graduate of Yale and Harvard Business School, would like position in Sales Analysis or Market Research with manufacturer, preferably located in New England or New York area. Has prepared reports on economic developments and on the market for various major products. As Assistant to Sales Manager of large Industrial Equipment company, he has

had experience in analyzing markets, establishing quotas, re-allocating sales areas and controlling salesmen's efforts. Old enough to have acquired a broad knowledge of Sales Management and tact in dealing with men; young enough to realize that there is still plenty to learn. Present connection is with family concern where opportunity for advancement is limited. Box 471, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

AGGRESSIVE AMERICAN desires opportunity with future. 12 years' sales experience and financial responsibility East and Middle West with large Auto Accessory and Radio Mfg. organization. 7 years Chicago Branch Manager. Broad knowledge sales promotion, jobber and dealer trade; finance, credits, etc. Excellent record and references. Box 475, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

SALES MANAGER. American Christian, 35, College training, 12 years' experience in promotion and sales. Specializing in modern telephone methods. Successful record. Willing to travel. Staples, specialties, etc. Address P. O. Box 309, Brooklyn, N. Y.

AN EXPERIENCED SALES MANAGER WITH successful record, now employed in middle-west, is locating at Los Angeles, California within the next sixty days. He seeks connection with a responsible firm either as direct representative or manufacturers' or sales agent. Can satisfy principal as to ability, dependability and financial responsibility. Address Box 469, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

SALES EXECUTIVE with present employer over fifteen years, desires opportunity with progressive firm engaged in manufacture and sale of staple products as Sales Manager or Sales Promotion Manager. Experienced in promotion work; product, manufacturing and market research; direct to consumer and wholesale distribution; finance and accounting. Address Box 472, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

PACIFIC COAST SALES EXECUTIVE AVAILABLE

Here is an outstandingly successful sales executive with an unusually fine record. Ten years Coast Sales Manager for prominent national drug manufacturer. Right now is doing an exceptional job.

Has wide personal following and excellent reputation with entire Coast drug trade. Extensive field experience, makes producers of men and is a real salesman himself.


Has decisive pleasing personality—quick to adjust himself. Knows drugs, cosmetics and sundries.

Interested in permanent connection as Pacific Coast Sales Manager or Coast representative with reliable house. Legitimate reasons for changing.

Is nationally known, a live wire and producer. Address Box 473, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

RARE

in
New
York



A carefully restricted clientele, a policy that assures a character of patronage probably unequalled in any New York hotel...and it has enjoyed this distinction since 1886.

Now a new building with spacious rooms furnished like a private home, electric fans, circulating ice water, tub and shower baths, sundeck, air-conditioned Restaurant and Lounge Cafe.

It is convenient to everything yet sufficiently remote from the roar of the city to insure almost country quietness.

Single from \$3.50 Double from \$5
Suites from \$8

Special weekly and monthly rates.

The
GROSVENOR
Fifth Avenue at 10th Street
NEW YORK
Harry A. Mason, Manager



COMMENT

BY RAY BILL

SELLING POLICIES AND PROCEDURES: The National Federation of Sales Executives has now progressed to a point where its membership runs into thousands. At its First Annual Meeting held in St. Louis the last two days in May, its *raison d'être* was also effectively demonstrated. The report of the sessions appears elsewhere in this issue, but the principal point made by Chester McCall in his address at the dinner seems worthy of special comment here. As Special Assistant to Secretary of Commerce Roper, he devotes major attention to marketing and distribution:

"Today the sales executive must not only sell the products which his company manufactures or distributes, but he must also sell the general management policies and procedures of the company. This is in many ways a more difficult task than selling products.

"Since 1929 a definite transition has taken place in the business corporation's relationship with the public. With the beginning of the depression, the spotlight of public scrutiny was thrown with increasing intensity upon business practices and the methods of individual companies, both with respect to competitive trade procedures and employer-employee relationships. The growth of complexities in our business system has brought about a new social and public responsibility on the part of business. By and large, business was unprepared to cope with this new challenge of properly interpreting itself to the public.

"While we must admit that there is a category of malpractices that have grown up in business and industry which requires correction, it does seem evident that, in many cases, there has been an indictment of business out of all proportion to the scope and extent of the things of which it is accused. Business may justly feel that it has been unfairly criticized and improperly interpreted in many instances. It may clearly recognize the disturbing effects of a suspicious or resentful public opinion, but rationalization as to the injustice of this condition will serve no corrective function whatever. Business must do something about this problem and approach it with the same analytical sincerity utilized in selling tangible products. The sales executive occupies a focal position in the creation and application of a plan for selling the 'policies and procedures' of his company.

"The wisest objective of business is the dispersal of suspicion cast by the symbol of 'The public be damned' through a newly crystallized approach of 'Let the public be enlightened.' Each individual company must do its own selling job but will get measurable direct benefits while contributing to an aggregate favorable picture."

With all of which public relations and selling philosophy, we heartily agree.

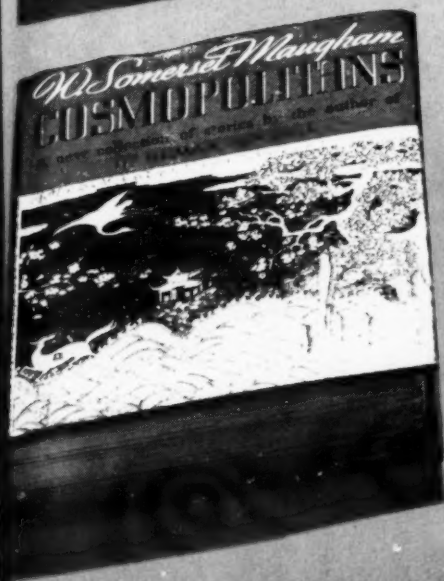
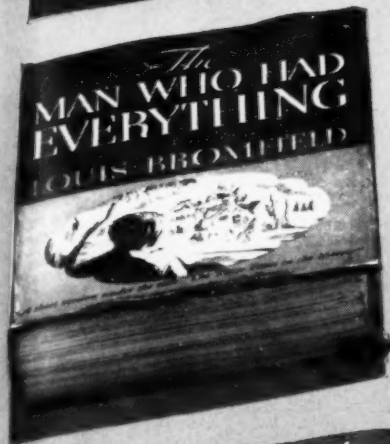
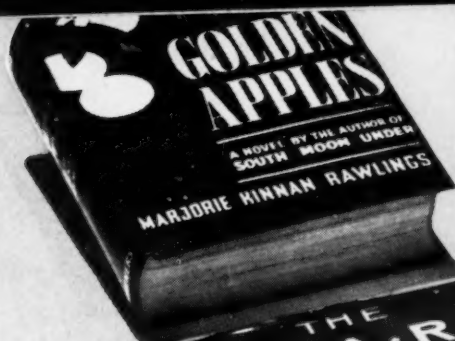
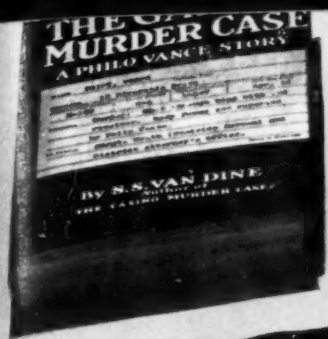
MINIMUM PRICES UNDER NRA: The University of Michigan, through its School of Business Administration, has just issued a volume of nearly 500 pages under the title "Minimum Prices Under NRA." It is doubtful if there has appeared any work which so completely and intelligently outlines the whole experience of NRA with respect to price control on the basis of so-called minimum prices. Whoever has time for serious

study will find this book extremely illuminating as to why the NRA did not succeed, why it could not succeed and why any legislative control via minimum prices is extremely difficult, if not impossible of administration.

ON THE TRAIL OF ADVERTISING ALLOWANCES: Editors of the *Dry Goods Economist* are currently conducting a first-hand investigation of advertising allowances as related to department stores. They have found some rather disconcerting cases where buyers for individual departments are being forced to handle merchandise which is inferior, does not represent careful selection from the standpoint of consumer acceptance, and which is not, in fact, promoted by advertising. It is "forced" upon the buyers by higher executives chiefly influenced by the advertising allowance obtained from a given manufacturer. Upstairs executives pass the buck to comptrollers and advertising managers, claiming the first insists on more and more mark-up and the latter on manufacturers paying part of the store's advertising. Certain manufacturers offering such allowances describe the practice as "a helluva game" but explain that they cover most or all of the allowance by what they get from their own sources of supply. And so it goes until the advertising agency for the sellers of basic materials finds itself spending most of the time arranging for advertising allowances instead of setting up campaigns and preparing actual advertising. In connection with this subject, the *Economist* says:

"Soon the public will stay away from the departments and those stores which fail to choose right goods for it. The advertising allowance story is of no interest to the consumer. And the store so caught will spend infinitely more of its own money to get old customers back for right goods, than it ever saved in selling old customers wrong goods."

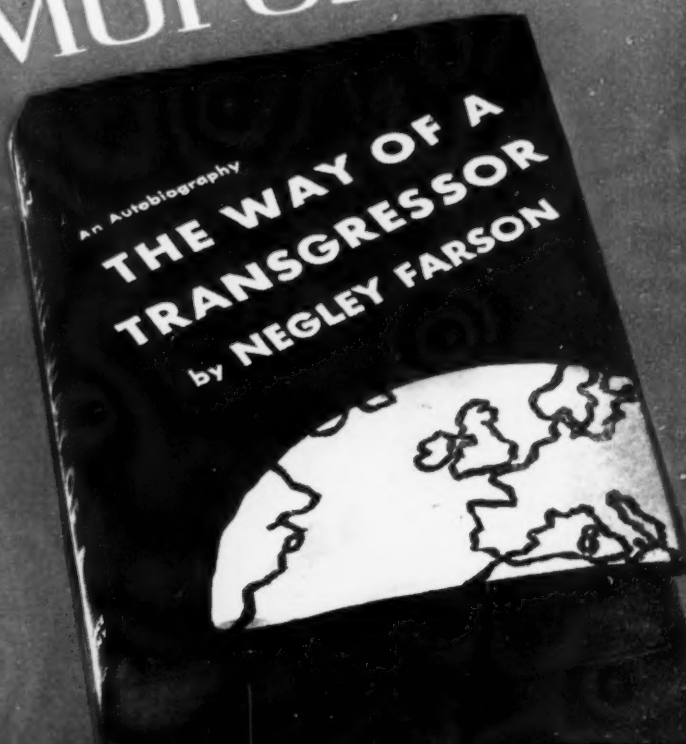
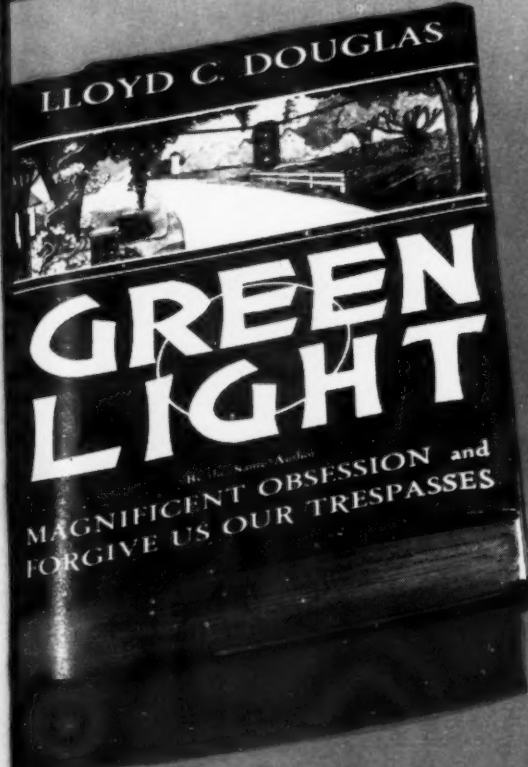
Within recent years there has been much discussion about enforceable trade practices. Tangible steps along this line were actually taken under NRA and even now under the Federal Trade Commission active steps are in the offing. In the light of all that has been and still is to be, we are moved to query "How long will it be before reputable manufacturers in a given line of industry will voluntarily advertise to their own trade in particular and the whole world in general that they do not and will not give advertising allowances unless the advertising for which an allowance is made is done on an auditable basis?"



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